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Attorneys for Plaintiff AIG SPECIALTY INSURANCE COMPANY F/K/A CHARTIS SPECIALTY INSURANCE COMPANY AND ALSO AMERICAN INTERNATIONAL SPECIALTY LINES INSURANCE COMPANY

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

AIG SPECIALTY INSURANCE COMPANY F/K/A CHARTIS SPECIALTY INSURANCE COMPANY AND ALSO AMERICAN INTERNATIONAL SPECIALTY LINES INSURANCE COMPANY, an Illinois Corporation, Plaintiff, vs. LIBERTY MUTUAL FIRE INSURANCE COMPANY, as Massachusetts Corporation, Defendant.	CASE NO. **COMPLAINT FOR DECLARATORY RELIEF**

AIG Specialty Insurance Company f/k/a Chartis Specialty Insurance Company and also American International Specialty Lines Insurance Company by and through its counsel, Herold & Sager, hereby complains against LIBERTY MUTUAL FIRE INSURANCE COMPANY as follows:

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I.

JURISDICTION

1. This is an action for declaratory judgment pursuant to 28 U.S.C. § 220 in which the amount in controversy exceeds $75,000, exclusive of costs and interest. This Court has original jurisdiction based on diversity of citizenship pursuant to 28 U.S.C. § 1332(a)(1) and (c)(1).

II.

VENUE

2. Venue is proper in the District of Nevada pursuant to 28 U.S.C. § 1391(b)(2), as a substantial part of the events giving rise to the claims in this action occurred in the District, including contract delivery and place of performance of the contract, and the Underlying Action, defined below, upon which this action is based, is venued within this district.

III.

GENERAL ALLEGATIONS

3. AIG Specialty Insurance Company f/k/a Chartis Specialty Insurance Company and also American International Specialty Lines Insurance Company ("AISLIC") is an Illinois Corporation whose principle place of business is New York, New York. At all relevant times, AISLIC has been an eligible surplus lines insurer in Nevada.

4. LIBERTY MUTUAL FIRE INSURANCE COMPANY ("Liberty") is a Massachusetts Corporation whose principle place of business is in Massachusetts.

THE LIBERTY POLICY

5. The Liberty policy at issue is a primary commercial general liability insurance policy issued as part of an owner controlled insurance/wrap program bearing issued policy no. RG2-691-433239-014, effective January 16, 2004 through April 30, 2008 (the "Liberty Policy"). It contains a Contractor's Rework Endorsement, which provides policy benefits for costs related to remediating defective work irrespective of an "occurrence" and the coverage available pursuant to said endorsement is in addition to the coverage available for "Property Damage" that is the result of an "occurrence," and subject to the $4 million Products-Completed Operations Limit.

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6. The Liberty Policy provides $4 million in limits for completed operations claims.

7. The Liberty Policy provides $4 million in limits for claims covered by the Contractor's Rework Endorsement.

8. The Liberty Policy provides $4 million in limits for claims subject to the general aggregate limit.

9. The insuring agreement of the Liberty Policy provides in relevant part:

> SECTION I - COVERAGES
>
> COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY
>
> 1. Insuring Agreement.
>
> a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:
>
> (1) The amount we will pay for damages is limited as described in SECTION III - LIMITS OF INSURANCE; and
>
> (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.
>
> * * *
>
> b. This insurance applies to "bodily injury" and "property damage" only if:
>
> (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory;" and

(2) The "bodily injury" or "property damage" occurs during the policy period.

c. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury."

10. The Liberty Policy contains the following exclusions:

2. Exclusions

This insurance does not apply to:

a. Expected or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

(1) That the insured would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:

(a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

* * *

j. Damage to Property

"Property damage" to:

(1) Property you own, rent, or occupy;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in SECTION III - LIMITS OF INSURANCE.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard."

k. Damage to Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage to your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard."

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage to Impaired Property or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall of Products, Work or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

///

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

* * *

11. The Liberty Policy contains the following definitions:

SECTION V- DEFINITIONS

* * *

8. "Impaired property" means tangible property, other than "your product" or "your work," that cannot be used or is less useful because:

a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

a. The repair, replacement, adjustment or removal of "your product" or "your work"; or

b. Your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

* * *

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

* * *

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

* * *

17. "Property damage" means:

    a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

    b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

    a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

    b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

* * *

20. "Your product" means:

    a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

        (1) You;

        (2) Others trading under your name; or

(3) A person or organization whose business or assets you have acquired; and

b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes:

a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

b. The providing of or failure to provide warnings or instructions.

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

21. "Your work" means:

a. Work or operations performed by you or on your behalf; and

b. Materials, parts or equipment furnished in connection with such work or operations.

"Your work" includes:

a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

b. The providing of or failure to provide warning or instructions.

* * *

12. The Liberty Policy contains a Change Endorsement changing the policy period as follows:

CHANGE ENDORSEMENT

* * *

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5. The Policy Period is changed to: 01/16/2004 to 04/30/2008

* * *

13. The Liberty Policy contains a General Amendatory Endorsement providing in relevant part:

GENERAL AMENDATORY ENDORSEMENT
(Occurrence Form)

This Amendatory Endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

* * *

5. Paragraph 13. of the DEFINITIONS section is replaced by the following;

13. "Occurrence" means:

(a) with respect to injury within subdivision a. of the definition of "personal injury" (that is, "bodily injury") or "property damage," an accident, including continuous or repeated exposure to substantially the same general harmful conditions;

(b) with respect to injury within subdivision b. of the definition of "personal injury", the commission of one or a related series of acts (including but not limited to a series of oral or written publications of the same or similar material); and

(c) with respect to injury within subdivision c. of the definition of "personal injury," the commission of one or a related series of offenses.

* * *

8. Paragraph l.b. of SECTION I - COVERAGES, Coverage A is deleted and replaced with the following:

b. This insurance applies to injury under Paragraph a. of the definition of "personal injury" and "property damage" only if:

(1) The "personal injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory;" and

(2) The "personal injury" or "property damage" occurs during the policy period.

This insurance applies to injury under Paragraph b. or c. of the definition of "personal injury" only if:

(1) The "personal injury" is caused by an "occurrence" that

(a) takes place in the "coverage territory;" and

(b) occurs during the policy period; or

(2) The injury occurs during the policy period, but arises from one or a related series of covered acts or offenses (as defined by this policy) which were committed during the term of your prior policy written by us, this policy will apply to such injury; but: only if your prior policy does not apply. This coverage applies to renewal policies only.

* * *

Exclusion a. of COVERAGE A is replaced by the following:

a. Expected or Intended Injury

"Bodily injury" or "property damage" expected or intended form the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

D. AMENDMENT- CONTRACTUAL LIABILITY

1. Paragraph 9. of the DEFINITIONS section is replaced by the following:

9. "Insured contract" means:

* * *

g. That part of any other contract or agreement pertaining to your business under which you assume the tort liability of another to pay damages because of "personal injury" or "property damage" to a third person or organization, if the contract or agreement is made prior to the "personal injury" or "property damage." Tort liability means a liability that would be imposed by law in the absence of any contract or agreement. . . .

14. The Liberty Policy contains an additional Amendatory Endorsement, which provides as follows:

AMENDATORY ENDORSEMENT

This Amendatory Endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Exclusion b. of COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I Coverages) is replaced by the following:

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

(1) That the insured would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement.

* * *

15. The Liberty Policy contains a Damage to Your Work Endorsement, which provides as follows:

DAMAGE TO YOUR WORK

It is agreed that Exclusion L. is replaced by the following:

"Property Damage" to that particular part of "your work" that is defective or actively malfunctions.

This exclusion applies only to the "Products-Completed Operations" hazard. It does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

16. The Liberty Policy contains a Damage to Product Endorsement, which provides as follows:

DAMAGE TO YOUR PRODUCT

It is agreed that Exclusion K is replaced by the following:

"Property Damage" to that particular part of "your product" that is defective or actively malfunctions arising out of or any part of it.

17. The Liberty Policy contains a Contractor's Rework Endorsement, which provides as follows:

CONTRACTOR'S REWORK ENDORSEMENT

The following is added to coverage provided under Coverage A-Bodily Injury and Property Damage Liability.

1. Insuring Agreement

We will pay for sums that you become legally liable to pay for the cost of repair, replacement, alternation or removal of "your work" or "your product" that

a. is structurally unsound; or
b. cannot be put to its intended use

due to defect arising out from "your work" or "your product" performed during the policy period.

2. Exclusions

This insurance does not apply to:

a. "Cosmetic defects"
b. "Bodily injury"
c. "Property damage" to property other than "your work" or "your product"
d. Liability arising from the assumption of liability in a contract or agreement; but this exclusion does not apply to a warranty of fitness of quality of "your work" or "your product"
e. Fines, penalties or liquidated damages
f. Damage or loss that would be covered by an all risk (special form) property insurance policy including builder's risk or installation floater providing coverage for your financial interest in your building and installation projects and structures.

3. Definitions

As respects coverage provided under this endorsement, the following definition applies:

"Cosmetic defect" means a superficial or surface defect that does not affect the structural soundness of "your work" or "your product".

THE AISLIC POLICY

18. AISLIC issued Policy No. BE 7414723, effective March 30, 2004 through November 30, 2008 (the "AISLIC Policy").

19. The Insuring Agreement of the AISLIC Policy provides in relevant part:

I. INSURING AGREEMENT – COMMERCIAL UMBRELLA LIABILITY

A. We will pay on behalf of the Insured those sums in excess of the Retained Limit that the Insured becomes legally obligated to pay as damages by reason of liability imposed by law because of Bodily Injury, Property Damage or Personal Injury and Advertising Injury to which this insurance applies or because of Bodily Injury or Property Damage to which this insurance applies assumed by the Insured under an Insured Contract.

* * *

B. This policy applies, only if:

1. the Bodily Injury or Property Damage is caused by an Occurrence that takes place anywhere, and the Bodily Injury or Property Damage occurs during the Policy Period; …

20. The AISLIC Policy contains a Retained Limit Amendatory Endorsement that provides in relevant part:

RETAINED LIMIT AMENDATORY ENDORSEMENT

This policy is amended as follows:

* * *

3. Section III. DEFENSE PROVISIONS, Paragraph A. is deleted in its entirety and replaced by the following:

III. DEFENSE PROVISIONS

A. We will have the right and duty to defend any Suit against the Insured that seeks damages for Bodily Injury, Property Damage or Personal Injury and Advertising Injury covered by this policy, even if the Suit is groundless, false or fraudulent when the total applicable limits listed in the Schedule of Retained Limits have been exhausted by payment of Loss to which this policy applies.

* * *

6. Section VII. DEFINITIONS, Paragraph Z. is deleted in its entirety and replaced by the following:

Retained Limit means the limit(s) listed in the Schedule of Retained Limits.

The Retained Limits listed in the attached Schedule of Retained Limits will apply whether or not there is any available Scheduled Underlying Insurance or Other Insurance. If there is Scheduled Underlying Insurance or Other Insurance applicable to a Loss, amounts received through such Scheduled Underlying Insurance or Other Insurance for payment of the Loss may be applied to reduce

> or exhaust the Retained Limit if such policies were purchased by the Named Insured to specifically apply as underlying insurance to this policy. However, in no event will amounts received through Scheduled Underlying Insurance or Other Insurance providing coverage to the Insured for the payment of Defense Expenses reduce the Retained Limit.
>
> The Retained Limits listed in the attached Schedule of Retained Limits will not be reduced or exhausted by Defense Expenses.
>
> Schedule of Retained Limits
>
> Retained Limits:

N/A	Each Occurrence Auto Retained Limit
2000000	Each Occurrence Products Completed Operations Retained Limit
4000000	Products-Completed Operation Aggregate Retained Limit
2000000	Each Occurrence All Other Retained Limit
4000000	All Other General Aggregate Retained Limit

21. The AISLIC Policy applies only in excess of the total applicable limits of Scheduled Underlying Insurance and any applicable Other Insurance, regardless of whether such limits are collectible.

22. The Scheduled Underlying Insurance is the Liberty Policy.

23. The AISLIC Policy contains Exclusion C, which applies to Contractual Liability and provides in relevant part:

> C. Contractual Liability
>
> This insurance does not apply to any liability for which the Insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:
>
> 1. that the Insured would have in the absence of a contract or agreement; or

> 2. assumed in an Insured Contract, provided Bodily Injury or Property Damage occurs subsequent to the execution and prior to the termination of the Insured Contract. Solely for the purposes of liability assumed in an Insured Contract, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an Insured are deemed to be damages because of Bodily Injury or Property Damage and included in the Limits of Insurance of this policy, provided:
>
> a. liability to such party for, or for the cost of, that party's defense has also been assumed in the same Insured Contract; and
>
> b. such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this policy applies are alleged.

24. The AISLIC Policy contains Exclusion D, which applies to Damage to Impaired Property or Property Not Physically Injured and provides in relevant part:

> D. Damage to Impaired Property or Property Not Physically Injured
>
> This insurance does not apply to Property Damage to Impaired Property or property that has not been physically injured, arising out of:
>
> 1. a defect, deficiency, inadequacy or dangerous condition in Your Product or Your Work; or
>
> 2. a delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.
>
> This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to Your Product or Your Work after it has been put to its intended use.

25. The AISLIC Policy contains Exclusion E, which excludes coverage for "Property Damage" to property that the insured owns, rents or occupies, and provides in relevant part:

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> E. Damage to Property
>
> This insurance does not apply to Property Damage to:
>
> 1. property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
>
> * * *

26. The AISLIC Policy contains Exclusion F, which excludes coverage for "Property Damage" to the insured's product and provides in relevant part:

> F. Damage to Your Product
>
> This insurance does not apply to Property Damage to Your Product arising out of it or any part of it.

27. The AISLIC Policy contains Exclusion G, which excludes coverage for "Property Damage" to the insured's work and provides in relevant part:

> G. Damage to Your Work
>
> This insurance does not apply to Property Damage to Your Work arising out of it or any part of it and included in the Products-Completed Operations Hazard.
>
> This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

28. The AISLIC Policy contains Exclusion R, which excludes coverage for recall of the insured's Product, Work or Impaired Property, and provides in relevant part:

> R. Recall of Your Product, Your Work or Impaired Property
>
> This insurance does not apply to damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

///

1. Your Product;

2. Your Work; or

3. Impaired Property;

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

29. The AISLIC Policy has an Other Insurance provision, which provides as follows:

VI. CONDITIONS

* * *

L. Other Insurance

If other valid and collectible insurance applies to damages that are also covered by this policy, this policy will apply excess of the Other Insurance. However, this provision will not apply if the Other Insurance is specifically written to be excess of this policy.

30. The AISLIC Policy contains the following definitions:

VII. DEFINITIONS

* * *

L. Impaired Property means tangible property, other than Your Product or Your Work, that cannot be used or is less useful because:

1. it incorporates Your Product or Your Work that is known or thought to be defective, deficient, inadequate or dangerous; or

2. you have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

1. the repair, replacement, adjustment or removal of Your Product or Your Work; or

///

2. your fulfilling the terms of the contract or agreement.

* * *

S. Occurrence means:

1. as respects Bodily Injury or Property Damage, an accident, including continuous or repeated exposure to substantially the same general harmful conditions. All such exposure to substantially the same general harmful conditions will be deemed to arise out of one Occurrence.

* * *

Y. Property Damage means:

1. physical injury to tangible property, including all resulting loss of use of that property. All such loss of use will be deemed to occur at the time of the physical injury that caused it; or

2. loss of use of tangible property that is not physically injured. All such loss of use will be deemed to occur at the time of the Occurrence that caused it.

* * *

DD. Your Product means:

1. any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

a. you;

b. others trading under your name; or

c. a person or organization whose business or assets you have acquired; and

2. containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

Your Product includes:

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1. warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of Your Product; and

2. the providing of or failure to provide warnings or instructions.

* * *

EE. Your Work means:

1. work or operations performed by you or on your behalf; and

2. materials, parts or equipment furnished in connection with such work or operations.

Your Work includes:

1. warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of Your Work; and

2. the providing of or failure to provide warnings or instructions.

31. The AISLIC Policy contains the following Miscellaneous Changes Endorsement, which provides as follows:

MISCELLANEOUS CHANGES ENDORSEMENT

This policy is amended as follows:

* * *

SECTION V. EXCLUSIONS, is amended as follows:

* * *

Paragraph K. Expected or Intended Injury is deleted and replaced by the following:

K. Expected or Intended Injury

This insurance does not apply to Bodily Injury and Property Damage expected or intended from the standpoint of the Insured. However, this exclusion does not apply to Bodily Injury or Property Damage resulting from the use of reasonable force to protect persons or property.

* * *

SECTION VII. DEFINITIONS is amended as follows:

* * *

Paragraph P. Loss is deleted and replaced by the following:

P. Loss mean those sums actually paid as judgments or settlements, provided, however, that if expenses incurred to defend a Suit or to investigate a claim reduce the applicable limits of Scheduled Underlying Insurance, then Loss shall include such expenses.

* * *

Paragraph T. Other Insurance is deleted and replaced by the following:

T. Other Insurance means a valid and collectible policy of insurance providing coverage for damages covered in whole or in part by this policy.

However, Other Insurance does not include Scheduled Underlying Insurance, the Self-Insured Retention or any policy of insurance specifically purchased to be excess of this policy affording coverage that this policy also affords.

32. The AISLIC Policy contains a Professional Liability Exclusion Endorsement, which provides as follows:

PROFESSIONAL LIABILITY EXCLUSION ENDORSEMENT

This policy is amended as follows:

Section V. EXCLUSIONS is amended to include the following additional exclusion:

Professional Liability

This insurance does not apply to any liability arising out of any act, error, omission, malpractice or mistake of a professional nature committed by the Insured or any person for whom the Insured is legally responsible.

33. The AISLIC Policy contains the following Products-Completed Operations Hazard Extension of Coverage Endorsement:

> PRODUCTS-COMPLETED OPERATIONS HAZARD
> EXTENSION OF COVERAGE ENDORSEMENT
>
> Coverage under this policy is hereby extended to cover Bodily Injury and Property Damage arising out of the Products-Completed Operations Hazard caused by an Occurrence provided that such Bodily Injury or Property Damage takes place within five (5) years of the time that all or part of the insured project is put to its intended use or a temporary or permanent certificate of occupancy is issued but only insofar as such coverage is provided by this policy.
>
> However, the coverage provided by this endorsement shall not apply to Bodily Injury or Property Damage arising out of the failure by the owner or any contractor to protect or maintain completed portions of the project.

III.

THE UNDERLYING ACTION

34. The underlying action is captioned as *Lido Casino Resort, LLC, et al. v. Taylor International Corp., et al.*, Eighth Judicial District Court, Clark County Nevada Case No. A-16-731030-D (the "Underlying Action").

35. The plaintiffs in the Underlying Action are Lido Casino Resort and Venetian Casino Resort, LLC, the developer/owner of the Venetian and Palazzo properties (collectively, "Venetian").

36. Upon information and belief, the named defendants in the Underlying Action ("Underlying Defendants") qualify as insureds under the Liberty Policy.

37. The Underlying Action arises from the allegedly defective construction of the swimming pools and spas of the Palazzo Resort Hotel Casino, located at 3325 Las Vegas Blvd., Las Vegas, Nevada ("Palazzo Pools").

38. On or about December 31, 2003, Taylor International Corp. ("Taylor") and Venetian entered into a contract for Taylor to act as the "Construction Manager" for the Palazzo Casino Resort Hotel.

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39. On November 20, 2006, Taylor and Venetian entered an agreement with Global Construction to perform certain construction work on the Palazzo Tower. Global then entered into a subcontract with Water FX, LLC ("Water FX") to install the Palazzo Pools.

40. Thereafter, either Global Construction or Water FX entered into a contract for Mirage Builders to work on the installation of the Palazzo Pools and it is believed its work was as framer for the pools.

41. The Palazzo Pools were originally designed and constructed with gunite and plaster, with an eight-inch thick concrete masonry unit (CMU) wall to support decking around the perimeter of each pool.

42. In 2007, the plans for the Palazzo Pools were changed in favor of installing self-supported, pre-fabricated steel pools produced by Bradford Products, LLC.

43. The revised plans for the Palazzo Pools required the use of cold-formed metal stud framing with rust resistant G90 galvanization.

44. Instead of using cold-formed metal stud framing with rust resistant G90 galvanization for the Palazzo Pools, Water FX and/or Mirage Builders, Inc. ("Mirage") installed red zinc primed studs that were not properly treated to prevent rusting, which did not meet specifications for the Bradford pre-manufactured pools.

45. Water FX and/or Mirage installed the metal studs supporting the pool decking, which suffered corrosion and were removed and replaced by Venetian during the remediation project.

46. Water FX and/or Mirage installed pre-fabricated stainless steel pools and spas manufactured by Bradford Manufacturing.

47. Water FX and/or Mirage welded together and installed non-galvanized steel framing members at the base of the pool and spa bunkers, which supported the pools and spas.

48. In response to Interrogatory 16 from Venetian in the Underlying Action, Taylor stated that "Water FX welded together and installed in the pool bunkers and spas the metal supporting framing supplied by Bradford. . . ."

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49. The following subcontractors who have not been named as defendants in the Underlying Action, also performed work which, according to Venetian's expert reports, contributed to water intrusion into the pool and spa bunkers:

a. Technicoat Management, Inc. ("Technicoat") – Installed waterproofing in planters, pool bunkers, and spa bunkers

b. Tracy & Ryder Landscape, Inc. ("Tracy & Ryder") – Installed planter drains

c. Hansen Mechanical Contractors, Inc. ("Hansen Mechanical") – Installed drains in the pool and spa bunkers

d. Isaac Construction Co., Inc. ("Isaac Construction") – Installed the concrete walls and floors of the pool and spa bunkers

50. The Palazzo Tower and Palazzo Pools opened for business in or about 2008.

51. Within 3 years following the completion of the construction of the Palazzo Pools, Venetian claims it discovered rust and corrosion to the metal studs supporting the pool and the deck at all pool and spa sites.

52. Venetian hired an engineering firm to perform a site inspection and to provide related opinions, which was accomplished over a two-day period in August 2011, a true and correct copy of which is attached as Exhibit 1 ("Jacobs Report").

53. The above-referenced Jacobs Report alleged the following:

a. Massive rusting of the light gauge steel framing supports of the perimeter of the Palazzo Pools at all sites with the varying degrees of severity, constituting a dangerous condition.

b. Evidence that at all locations of the Palazzo Pools, the CMU wall framing was omitted and replaced with a non-rust resistant, simple shop prime light-gauge metal stud framing system.

c. Evidence that Defendants used inappropriate/inadequate steel framing system inconsistent with original plans.

d. Evidence that the crawl space below the Palazzo Pools decking area allowed water to easily enter at the pool perimeters, creating a humid and moist environment that was not conditioned or properly vented to relieve the water vapor, causing severe rusting and deterioration of the untreated steel framing system installed.

e. Evidence that corrosion on much of the metal stud framing had considerably reduced the strength and load carrying capacity of the Palazzo Pools.

54. Venetian acted to preserve and improve the structural integrity of the Palazzo Pools, including but not limited to the following:

a. Removal and replacement of the steel framing and decking around the Palazzo Pools using stainless steel.

b. Insulation of all areas around and beneath the Palazzo Pools to preclude condensation in the future.

c. Inspection and sealing of all drains and joints which could serve as an entry point for moisture.

d. Installation of temperature, humidity and water level indicators to closely monitor the conditions below the decking.

55. Venetian characterizes its actions to preserve and improve the structural integrity of the Palazzo Pools that is the subject of the Underlying Action as the Maintenance Enhancement Program.

56. Venetian asserts that there were numerous sources of water into the bunkers, to include low spots in floors or areas obstructed by debris, impeding drainage, leaks in pipes serving the pools, open drain pipes not properly routed to floor drains, and unsealed joints around access hatches.

57. Venetian alleges the recommended remediation was to remove the non-galvanized metal studs supporting the pool decking and replace them with galvanized studs, and also to prevent further water intrusion into the bunkers by fixing leaking pipes, sealing access hatches, and providing unobstructed drainage.

58. The shop-primed steel framing supporting the gap between the edge of the pool shell and the rest of the pool deck was not defective, but simply inappropriate for use in the moist environment of the crawl spaces surrounding the pools.

59. Galvanized steel was specified for installation at this project because shop-primed steel is not expected to withstand rusting in the environment at the Palazzo Pools.

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60. The rusting of the shop-primed steel is the expected result of its use in the environment at the Palazzo Pools.

61. At least $2.23 million of the amounts claimed by Venetian for the Maintenance Improvement Program was to tear out concrete and replace the waterproofing beneath it, and for other betterments that are unrelated to the repair and replacement of shop-treated steel.

62. The concrete did not need to be removed to get to the steel, because the structural top was not removed and therefore the removal of the concrete did not provide access to the steel.

63. On or about January 2, 2014, Venetian sent a letter to AISLIC regarding the Palazzo Pools. In this letter, Venetian asserted the limit of the Liberty Policy was only $2 million.

64. Upon information and belief, the position taken by Venetian in the January 2, 2014 letter concerning the applicable Liberty Policy limit of $2 million was taken in coordination with Liberty and/or pursuant to an agreement with Liberty.

65. On or about March 14, 2014, AISLIC issued a reservation of rights letter to Venetian and also sent a copy to Liberty.

66. On April 24, 2014, AISLIC issued an additional letter to Venetian and also sent a copy to Liberty.

67. On June 13, 2014, AISLIC issued an additional letter to Venetian and also sent a copy to Liberty.

68. In a July 9, 2014 email, Liberty stated to Venetian: "Liberty Mutual is prepared to pay the balance of the $2,000,000 policy limits toward settlement of the Venetian's claim against the enrolled contractors."

69. On July 18, 2014, AISLIC issued an additional letter to Venetian and also sent a copy to Liberty.

70. On August 29, 2014, AISLIC issued a letter to Liberty and also sent a copy of the letter to Venetian.

71. On September 12, 2014, Venetian sent an email to AISLIC addressing issues that are now the subject of the Underlying Action.

72. On or about October 14, 2014, Liberty sent a letter to AISLIC.

73. On October 15, 2014, AISLIC issued an additional letter to Venetian and also sent a copy to Liberty.

74. On or about November 17, 2014, counsel for Liberty sent a letter to AISLIC.

75. On or about December 1, 2014, Venetian's insurance broker sent an email to AISLIC regarding the AISLIC's position that it had no duty to fund the Maintenance Enhancement Program.

76. Upon information and believe the December 1, 2014 email referenced above was prepared with the assistance of and/or the cooperation of and/or in consultation or coordination with Liberty and/or its coverage counsel.

77. On or about December 17, 2014, counsel for AISLIC sent a letter to counsel for Liberty.

78. On or about December 18, 2014, AISLIC sent an email responding to the December 1, 2014 correspondence from Venetian's insurance broker.

79. On or about February 3, 2015, counsel for Liberty sent a letter to counsel for AISLIC.

80. On or about February 9, 2015, counsel for AISLIC sent a letter to counsel for Liberty.

81. On or about November 13, 2015, Venetian sent a demand letter to Taylor, Global Pacific Construction and Water FX, copying Liberty and AISLIC.

82. On January 29, 2016, Venetian filed the complaint in the Underlying Action.

83. On or about March 7, 2016, Dr. Robert Fielden issued a report to counsel for Venetian regarding the "Palazzo Pools Defective Construction/Reconstruction," a true and correct copy of which is attached as Exhibit 2 ("Fielden Report").

84. In a string of emails exchanged between AISLIC and Liberty between March 29 and June 30, 2016, Liberty stated it "already fronted $751k of it [the purported $2 million limit] to Sands [Venetian]." Also in these emails, Liberty asserted it saw no reason to retain experts to defend the Underlying Defendants against the liability asserted by Venetian.

85. On April 15, 2016, AISLIC issued a reservation of rights letter to Taylor.

86. On or about July 27, 2016, counsel for Water FX tendered the Underlying Action to AISLIC.

87. Through its July 7, 2016 tender letter, Water FX's counsel retained by Liberty asserted coverage arguments on behalf of and/or at the direction of Liberty for the benefit of Liberty in seeking to improperly limit Liberty's obligations under the Liberty policy to $2 million. In this regard, counsel for Water FX was also acting in the capacity of coverage counsel for Liberty.

88. On or about August 3, 2016, counsel for Venetian issued correspondence to AISLIC. On information and belief, this letter was issued by Venetian in coordination and/or consultation with Liberty in that the letter asserted Liberty's position that only $2 million in Liberty limits were available. This letter also indicated that Venetian's asserted damages were less than $4 million.

89. On August 4, 2016, AISLIC issued a reservation of rights letter to Water FX.

90. On August 4, 2016, Liberty and AISLIC exchanged a series of emails.

91. On August 23, 2016, counsel for AISLIC sent a letter to counsel for Venetian.

92. On or about August 25, 2016, counsel for Venetian issued correspondence to counsel for AISLIC.

93. On August 30, 2016, counsel for AISLIC sent a letter to counsel for Venetian.

94. On September 2, 2016, counsel for Taylor who had been retained by Liberty sent a letter to counsel for AISLIC.

95. The coverage arguments made in the September 2, 2016 letter from counsel for Taylor were made at the direction of and/or with the assistance of and/or the cooperation of and/or in consultation or coordination with Liberty and/or its coverage counsel.

96. On September 7, 2016, AISLIC issued a supplemental reservation of rights letter to Water FX.

97. Also on September 7, 2016, AISLIC issued a supplemental reservation of rights letter to Taylor.

98. On October 5, 2016, AISLIC, AISLIC's counsel, Liberty, and counsel for Water FX held a conference regarding the Underlying Action.

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99. On November 1, 2016, counsel for Taylor retained by Liberty sent an email to AISLIC providing information and analysis of the Underlying Action.

100. On November 2, 2016, AISLIC had a conference call with Taylor and its counsel retained by Liberty.

101. On November 3, 2016, Venetian issued an Offer of Judgment in the Underlying Action in the amount of $3,400,000.

102. Liberty would have directed counsel for one or more of the Underlying Defendants to accept Venetian's November 3, 2016 Offer of Judgment but for Liberty's position that it has only $2 million in applicable policy limits for the Underlying Action.

103. On November 4 and November 8, 2016, counsel for Water FX and AISLIC exchanged emails regarding the Underlying Action and the offer of judgment from Venetian.

104. On November 7, 2016 AISLIC's counsel sent an email to Water FX's counsel memorializing the October 15, 2016 conference call between AISLIC, AISLIC's counsel, Liberty, and counsel for Water FX.

105. On November 8, 2016, AISLIC sent an email to Taylor and its counsel memorializing the November 2, 2016 conference call.

106. On November 16, 2016, attorney Ramiro Morales wrote to AISLIC's counsel regarding AISLIC's purported "failure to provide policy benefits to Water FX." AISLIC's counsel responded on November 17, 2016. Mr. Morales did not respond to requests for identification of his client.

107. Upon information and belief, AISLIC alleges that Liberty retained Mr. Morales either to directly represent its interests or to indirectly do so as purported coverage counsel for Water FX.

108. On November 30, 2016, Taylor's counsel retained by Liberty sent a letter to AISLIC and AISLIC's counsel.

109. The November 30, 2016 letter from Taylor's counsel retained by Liberty focused on coverage arguments. Said coverage arguments were made on behalf of and/or at the direction of

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Liberty for the benefit of Liberty. In this regard, said counsel was acting as coverage counsel for Liberty.

110. The November 30, 2016 letter from Taylor's counsel retained by Liberty represents Liberty's arguments as to why Liberty contends there is coverage under the AISLIC Policy for the claims against Taylor in the Underlying Action.

111. On December 22, 2016, counsel for AISLIC responded to the November 30, 2016 letter from Taylor's counsel retained by Liberty focused on coverage arguments.

112. On January 6, 2017, Taylor's counsel retained by Liberty responded to the December 22, 2016 letter from AISLIC's counsel.

113. The January 6, 2017 letter from Taylor's counsel retained by Liberty focused on coverage arguments. Said coverage arguments were made on behalf of and/or at the direction of Liberty for the benefit of Liberty. In this regard, said counsel was acting as Liberty's agent.

114. Also on January 6, 2017, Taylor filed a third-party complaint against AISLIC in the Underlying Action.

115. Taylor's third-party complaint filed against AISLIC in the Underlying Action was filed at the direction of Liberty.

116. Taylor's third-party complaint filed against AISLIC in the Underlying Action was filed for Liberty's benefit.

117. Upon information and belief, Liberty has not and does not intend to provide the Underlying Defendants with a defense insofar as Venetian's claims that the Underlying Defendants are liable for the costs of betterments and enhancements at the Palazzo Pools, but instead Liberty seeks to simply force AISLIC to pay any amounts above the amounts Liberty contends remain on a $2 million per-occurrence limit to settle Venetian's claims.

118. Venetian hired the architectural firm RAFI Architectural & Design to design the remediation plan for the pools and spas and to oversee implementation of the plan. After the remediation project was completed, Dr. Robert Fielden, a principal of RAFI, prepared the March 7, 2016 report summarizing the findings from the remediation project and providing opinions regarding causation, which is the above-defined Fielden Report.

119. Liberty contends that Dr. Fielden's opinion was as follows:

- Numerous construction errors, as well as design errors, allowed unplanned water to collect, pond, and stagnate in the vault spaces of the pools and spas.

- The most immediate damage that resulted from the water collecting in the vaults is that it substantially raised the humidity levels in the vaults, which in turn caused severe premature corrosion of the metal studs inside the vaults which support the pool decks above the vaults.

- The Owner had a justified fear for the health, safety, and welfare of the public if the contained water in the vaults overflowed and damaged the interior ceilings below, causing saturated ceiling materials to fail and fall upon people below.

- The use of non-galvanized metal studs inside the vaults was a construction error, as the plans and specifications for the project required that galvanized steel studs be installed in the vaults.

- Water collecting inside the vault resulted from a myriad of discrete conditions found to a lesser or greater extent at different pools and spas. The most common conditions are listed below. All of these conditions are the result of negligent installation by the contractors and negligent supervision by the construction manager.

- Skimmer boxes adjacent to pools and spas were improperly sealed or not sealed at all. Water penetrated into the bunkers below through the unsealed voids between skimmer boxes and adjacent deck materials.

- Planter boxes adjacent to pools and spas had drain lines that penetrated through the planter box walls. These penetrations were not sealed. Water from the planters thus escaped into the bunkers below through the unsealed voids between the drain penetrations and the planter walls.

- Waterproofing membrane of planter boxes was deficient. It was too thin and non-adhered. This allowed water from the planters to penetrate into the spa vaults below the planters.

- The bunker walls have waterproofing membrane over the concrete that forms the perimeter of the bunker. However, in many spots this membrane was applied too thin. It was only 20 mils thick, rather than 60 mils thick, as required. In addition, in many areas the membrane was not properly adhered. Failure of the waterproofing membrane of the vault walls contributed to unplanned water intrusion into the vaults.

- Access hatches into the bunkers were improperly flashed, allowing water to penetrate into the bunkers.
- There were leaks in pipes serving pools.
- Open drain pipes were not properly routed to floor drains.
- Floors did not slope towards the floor drains, rendering the drains non-effective and allowing water to collect and stand in the bunkers. In addition, debris from original construction was left in the vaults, clogging the drains or impeding access to them.
- Turning to design errors, the design team failed to give sufficient consideration to the implications of changing the pool design from gunite pools to stainless steel pools and from changing the deck support from CMU blocks to metal studs. The presence of so much metal in contained spaces made considerations of water intrusion and water vapor formation much more important. The design team should have provided for more and better access for maintenance, and have called for installation of air handling equipment to minimize humidity.

120. Some or all of the damages asserted by Venetian against the Underlying Defendants are covered by the Liberty Policy's Contractor's Rework Endorsement.

121. Liberty has acknowledged to the Underlying Defendants that there is coverage for the claims against them in the Underlying Action available through the Contractor's Rework Endorsement.

122. Liberty contends the damages sought against Taylor are all are covered damages under the AISLIC Policy and the underlying single "occurrence" that triggers coverage is unplanned water intrusion into the pool and spa bunkers due to various construction deficiencies alleged in Venetian's experts' reports.

123. Liberty further contends that the resulting damage is corrosion of steel in the bunkers and that the cost to replace the damaged steel to remediate construction deficiencies to prevent further water intrusion, are both covered by the AISLIC Policy.

124. Liberty further contends that because Taylor served as the construction manager for all work performed at the project, while the work itself was performed by various subcontractors,

the "Your Work" Exclusion in the AISLIC Policy does not apply to Taylor due the "subcontractor exception."

125. Liberty contends that the single "occurrence" in the Underlying Action is unintended water intrusion into the pool and spa bunkers that caused corrosion of the steel studs.

126. Liberty contends it was never intended nor anticipated that the bunkers would be "moist" environments, but they were rendered "moist" by the alleged construction deficiencies.

127. Liberty contends that it was not simply the non-galvanized light gauge metal studs that suffered corrosion damage, though these studs suffered the worst of the damage.

128. Liberty further contends the corrosion was also evident in the non-galvanized heavy gauge metal framing members supporting the pools, even though these framing members were coated with rust-inhibitive primer.

129. Liberty contends the cost to replace the corroded steel studs and the cost to prevent further water intrusion into the pool and spa vaults are both covered damages under the AISLIC Policy.

130. Liberty contends the corrosion of the steel studs supporting the pool and spa decking at issue in the Underlying Action is a "physical injury" because the metal studs are not decorative as they support the pool deck, which will collapse if they fail.

131. Liberty further contends that the replacement of the steel was not done merely to replace defective or deficient work but was done to replace damaged work that, if left in place, threatened collapse of the structure it was supporting.

132. Liberty also contends that costs to prevent future water intrusion are covered "Property Damage" by the AISLIC Policy because the metal studs are structural and had to be replaced to prevent collapse of the pool decking they support.

133. Upon information and belief, Venetian's claims in the Underlying Action arise in part due to the acts and omissions of persons and entities that do not qualify as insureds under either the Liberty or AISLIC Policies, including but not limited to design professionals, engineers and material/equipment supplies.

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134. Upon information and belief, notwithstanding that Venetian's claims in the Underlying Action arise in part due to the acts and omissions of persons and entities that do not qualify as insureds under either the Liberty or AISLIC Policies, Liberty has directed counsel for Underlying Defendants not to pursue cross-claims or third-party claims against any such potentially liable persons or entities.

135. Upon information and belief, Liberty has directed counsel for Underlying Defendants not to pursue any third-party claims against any person or entity involved in the design or engineering of the Palazzo Pools or any materials suppliers.

136. Upon information and belief, neither Liberty nor Liberty-retained counsel for the Underlying Defendants have retained any experts to assist in the defense of the Underlying Defendants.

137. A mediation in the Underlying Action took place on March 24, 2017.

138. The assigned Liberty adjuster declined to address any of the coverage issues with AISLIC during the March 24, 2017 mediation in the Underlying Action.

139. But for Liberty's position that its applicable policy limits are only $2 million for the claims at issue in the Underlying Action, Venetian's claims that are the subject of the Underlying Action would have been resolved at or prior to the March 24, 2017 mediation notwithstanding the other coverage issues or defenses potentially applicable for the Underlying Defendants.

140. To date, at Liberty's direction or based upon statements made by Liberty, counsel for the Underlying Defendants have not conducted any discovery in the Underlying Action.

IV.

CLAIMS FOR DECLARATORY RELIEF

FIRST CAUSE OF ACTION

(Declaratory Relief Whether The Basis For The Potential Or Actual Liability Of The Underlying Defendants Is An "Occurrence")

141. AISLIC reinstates and re-alleges Paragraphs 1 through 140 as though fully set forth herein.

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142. AISLIC asserts that the basis for the potential or actual liability for some or all of the damages alleged against the Underlying Defendants may not be the result of an "occurrence" and that any coverage for damages awarded against the Underlying Defendants based on this may otherwise be excluded by the exclusions of the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

143. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the basis for the potential or actual liability for some or all of the damages alleged against the Underlying Defendants is an "occurrence" and whether any coverage for damages awarded against the Underlying Defendants based on this may otherwise be excluded by the exclusions of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SECOND CAUSE OF ACTION

(Declaratory Relief Whether The Alleged Rusting Of Light Gauge Steel Framing Is The Result Of An "Occurrence")

144. AISLIC reinstates and re-alleges Paragraphs 1 through 143 as though fully set forth herein.

145. AISLIC asserts that the basis for the potential or actual liability of the Underlying Defendants for the alleged rusting of the light gauge steel framing supports of the perimeter of the Palazzo Pools may not be an "occurrence" and that any coverage for damages awarded against the Underlying Defendants based on this may otherwise be excluded by the exclusions of the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

146. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the basis for the potential or actual liability of the Underlying Defendants for the alleged rusting of the light gauge steel framing supports of the perimeter of the Palazzo Pools is an "occurrence" and whether any coverage for damages awarded against the Underlying Defendants

based on this may otherwise be excluded by the exclusions of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

THIRD CAUSE OF ACTION

(Declaratory Relief Whether Damages Due To The Alleged Omission Of CMU Wall Framing And Choice To Replace It With Simple Shop Prime Light-Gauge Metal Stud Framing Are Due To An "Occurrence")

147. AISLIC reinstates and re-alleges Paragraphs 1 through 146 as though fully set forth herein.

148. AISLIC asserts that the basis for the potential or actual liability of the Underlying Defendants for damages arising from the alleged omission of the CMU wall framing and replacement with a non-rust resistant, simple shop prime light-gauge metal stud framing system may not be an "occurrence" and that any coverage for damages awarded against the Underlying Defendants based on this may otherwise be excluded by the exclusions of the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

149. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the basis for the potential or actual liability of the Underlying Defendants arising from alleged omission of the CMU wall framing and its replacement is an "occurrence" and whether any coverage for damages awarded against the Underlying Defendants based on this may otherwise be excluded by the exclusions of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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FOURTH CAUSE OF ACTION

(Declaratory Relief Whether Damages Resulting From The Alleged Use Of Shop Prime Light-Gauge Metal Stud Framing System Are Due To An "Occurrence")

150. AISLIC reinstates and re-alleges Paragraphs 1 through 149 as though fully set forth herein.

151. AISLIC asserts that the basis for the potential or actual liability of the Underlying Defendants resulting from the alleged use of shop prime light-gauge metal stud framing system may not be damages that are the result of an "occurrence" and that any coverage for damages awarded against the Underlying Defendants based on this may otherwise be excluded by the exclusions of the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

152. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether damages arising from the alleged use of shop prime light-gauge metal stud framing system constitutes damages arising from an "occurrence" and whether any coverage for damages awarded against the Underlying Defendants based on this may otherwise be excluded by the exclusions of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FIFTH CAUSE OF ACTION

(Declaratory Relief Whether The Alleged Rusting And Deterioration Of The Untreated Steel Framing System Is The Result Of An "Occurrence")

153. AISLIC reinstates and re-alleges Paragraphs 1 through 152 as though fully set forth herein.

154. AISLIC asserts that the basis for the potential or actual liability of the Underlying Defendants for the alleged rusting and deterioration of the untreated steel framing system may not be an "occurrence" and that any coverage for damages awarded against the Underlying Defendants

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based on this may otherwise be excluded by the exclusions of the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

155. A present and actual controversy exists by and between AISLIC and Liberty with respect to the basis for the potential or actual liability of the Underlying Defendants for the alleged rust and deterioration of untreated steel constitutes damages arising from an "occurrence" and whether any coverage for damages awarded against the Underlying Defendants based on this may otherwise be excluded by the exclusions of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SIXTH CAUSE OF ACTION

(Declaratory Relief Regarding The Number Of "Occurrences" Forming The Basis For The Potential Or Actual Liability Of The Underlying Defendants)

156. AISLIC reinstates and re-alleges Paragraphs 1 through 155 as though fully set forth herein.

157. AISLIC asserts that to the extent the Underlying Action involves any potential or actual liability of the Underlying Defendants arising from an "occurrence," the basis for liability of the Underlying Defendants may be multiple "occurrences." AISLIC is informed and believes that Liberty disputes this contention.

158. A present and actual controversy exists by and between AISLIC and Liberty with respect to the number of "occurrences" at issue in the Underlying Action. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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SEVENTH CAUSE OF ACTION

(Declaratory Relief Regarding The Absence Of Any Potential Or Actual Liability Of The Underlying Defendants For "Property Damage" Covered By The AISLIC Policy)

159. AISLIC reinstates and re-alleges Paragraphs 1 through 158 as though fully set forth herein.

160. AISLIC asserts that the basis for the potential or actual liability of the Underlying Defendants for any of the damages alleged in the Underlying Action may not constitute damages because of "Property Damage" that is covered by the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

161. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the basis for the potential or actual liability of the Underlying Defendants is damages because of "Property Damage" covered by the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

EIGHTH CAUSE OF ACTION

(Declaratory Relief Whether The Presence Of Water In The Vaults Constitutes "Property Damage" Caused By An "Occurrence" That Is Covered By The AISLIC Policy)

162. AISLIC reinstates and re-alleges Paragraphs 1 through 161 as though fully set forth herein.

163. AISLIC asserts that the alleged presence of water in the vaults may not constitute "Property Damage" caused by an "occurrence" that is covered by the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

164. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the alleged presence of water in the vaults constitutes "Property Damage" caused by an "occurrence" that is covered by the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested

judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

NINTH CAUSE OF ACTION

(Declaratory Relief Whether The Alleged Reduced Strength and Load Capacity As A Result Of Corrosion Is "Property Damage" Caused by An "Occurrence" That Is Covered By The AISLIC Policy)

165. AISLIC reinstates and re-alleges Paragraphs 1 through 164 as though fully set forth herein.

166. AISLIC asserts that the alleged reduced strength and load carrying capacity of the Palazzo Pools may not constitute "Property Damage" caused by an "occurrence" that is covered by the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

167. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the alleged reduced strength and load carrying capacity of the Palazzo Pools constitutes "Property Damage" caused by an "occurrence" under the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

TENTH CAUSE OF ACTION

(Declaratory Relief Regarding The Absence Of "Property Damage" Caused By An "Occurrence" In The Underlying Action)

168. AISLIC reinstates and re-alleges Paragraphs 1 through 167 as though fully set forth herein.

169. AISLIC asserts that the basis for the potential or actual liability of the Underlying Defendants for some or all of the alleged "Property Damage" alleged in the Underlying Action, if any, was not due to an "occurrence." AISLIC is informed and believes that Liberty disputes this contention.

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170. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the basis for the potential or actual liability of the Underlying Defendants for any alleged "Property Damage" was an "occurrence." AISLIC is informed and believes that Liberty disputes this contention. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

ELEVENTH CAUSE OF ACTION

(Declaratory Relief Whether The Underlying Defendants' Potential Or Actual Liability For The Alleged Inappropriate Steel Framing System Inconsistent With Original Plans Constitute Liability For "Property Damage" Caused By An "Occurrence" That Is Covered By The AISLIC Policy)

171. AISLIC reinstates and re-alleges Paragraphs 1 through 170 as though fully set forth herein.

172. AISLIC asserts that the basis for the potential or actual liability of any of the Underlying Defendants resulting from the alleged use of inappropriate steel framing system inconsistent with original plans may not constitute liability for "Property Damage" caused by an "occurrence" that is covered by the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

173. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the basis for the potential or actual liability of any of the Underlying Defendants resulting from the alleged use of inappropriate steel framing system inconsistent with original plans constitutes liability for "Property Damage" caused by an "occurrence" that is covered by the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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TWELFTH CAUSE OF ACTION

(Declaratory Relief Whether Any Of The Underlying Defendants' Potential Or Actual Liability For Costs to Tear Out Concrete and Replace Waterproofing Beneath It Is For "Property Damage" Caused By An "Occurrence" That Is Covered By The AISLIC Policy)

174. AISLIC reinstates and re-alleges Paragraphs 1 through 173 as though fully set forth herein.

175. AISLIC asserts that the basis for the potential or actual liability of the Underlying Defendants' for costs to tear out concrete and replace waterproofing beneath it may not be for "Property Damage" caused by an "occurrence" that is covered by the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

176. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any of the Underlying Defendants' potential or actual liability for costs to tear out concrete and replace waterproofing beneath it is not for "Property Damage" caused by an "occurrence" that is covered by the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

THIRTEENTH CAUSE OF ACTION

(Declaratory Relief Whether The Replacement Of Steel Beams Was Unnecessary To Repair "Property Damage" Caused By An "Occurrence" That Is Covered By The AISLIC Policy)

177. AISLIC reinstates and re-alleges Paragraphs 1 through 176 as though fully set forth herein.

178. AISLIC asserts it may have no duty to indemnify the Underlying Defendants because replacement of the steel beams was not necessary to repair "Property Damage" caused by an "occurrence" and therefore there may be no coverage under the AISLIC Policy for any liability imposed for any such costs. AISLIC is informed and believes that Liberty disputes this contention.

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179. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether there is coverage under the AISLIC Policy for the replacement of steel beams. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FOURTEENTH CAUSE OF ACTION

(Declaratory Relief Whether The Alleged Reduced Strength and Load Capacity of Palazzo Pools Is "Property Damage" Caused By An "Occurrence" That Is Covered By The AISLIC Policy)

180. AISLIC reinstates and re-alleges Paragraphs 1 through 179 as though fully set forth herein.

181. AISLIC asserts that the basis for the potential or actual liability of the Underlying Defendants resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools is not "Property Damage" caused by an "occurrence" that is covered by the AISLIC Policy.

182. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the basis for the potential or actual liability of the Underlying Defendants resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools is "Property Damage" caused by an "occurrence" that is covered by the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FIFTEENTH CAUSE OF ACTION

(Declaratory Relief Whether Some Or All Of The Damages Alleged In The Underlying Action Are Excluded By The AISLIC Policy's Contractual Liability Exclusion)

183. AISLIC repeats and re-alleges paragraphs 1 through 182 as though fully set forth herein.

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184. AISLIC asserts that coverage for some or all of the damages alleged in the Underlying Action may be excluded by the AISLIC Policy's Contractual Liability Exclusion. AISLIC is informed and believes that Liberty disputes this contention.

185. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether some or all of the damages alleged in the Underlying Action are excluded by the AISLIC Policy's Contractual Liability Exclusion. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SIXTEENTH CAUSE OF ACTION

(Declaratory Relief Whether Some Or All Of The Damages Alleged In The Underlying Action Are Excluded By The AISLIC Policy's Impaired Property Exclusion)

186. AISLIC repeats and re-alleges paragraphs 1 through 185 as though fully set forth herein.

187. AISLIC asserts that coverage for some or all of the damages alleged in the Underlying Action may be excluded by the AISLIC Policy's Impaired Property Exclusion. AISLIC is informed and believes that Liberty disputes these contentions.

188. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether some or all of the damages alleged in the Underlying Action are excluded by the AISLIC Policy's Impaired Property Exclusion. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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SEVENTEENTH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Rusting And Deterioration of Untreated Steel Framing System Is Excluded By The AISLIC Policy's Impaired Property Exclusion)

189. AISLIC repeats and re-alleges paragraphs 1 through 188 as though fully set forth herein.

190. AISLIC asserts that any coverage for the alleged rusting and deterioration of untreated steel framing system may be excluded by the AISLIC Policy's Impaired Property Exclusion. AISLIC is informed and believes that Liberty disputes this contention.

191. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for the alleged rusting and deterioration of untreated steel framing system is excluded by the AISLIC Policy's Impaired Property Exclusion. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

EIGHTEENTH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Reduced Strength And Load Carrying Capacity Of The Palazzo Pools Is Excluded By The AISLIC Policy's Impaired Property Exclusion)

192. AISLIC repeats and re-alleges paragraphs 1 through 191 as though fully set forth herein.

193. AISLIC asserts that any coverage for damages resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools may be excluded by the AISLIC Policy's Impaired Property Exclusion. AISLIC is informed and believes that Liberty disputes this contention.

194. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for the damages resulting from alleged reduced strength and load carrying capacity of the Palazzo Pools is excluded by the AISLIC Policy's Impaired Property Exclusion. Based thereon, this Court has authority to issue a declaratory judgment concerning the

parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

NINETEENTH CAUSE OF ACTION

(Declaratory Relief Whether Some Or All Of The Damages Alleged In The Underlying Action Are Excluded By The AISLIC Policy's Exclusion For "Property Damage" To Your Product)

195. AISLIC repeats and re-alleges paragraphs 1 through 194 as though fully set forth herein.

196. AISLIC asserts that some or all of the damages alleged in the Underlying Action may be excluded by the AISLIC Policy's Exclusion F for "Property Damage" to Your Product. AISLIC is informed and believes that Liberty disputes these contentions.

197. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether some or all of the damages alleged in the Underlying Action are excluded by the AISLIC Policy's Exclusion F for "Property Damage" to Your Product. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

TWENTIETH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Rusting Of Light Gauge Steel Framing Is Excluded By The AISLIC Policy's Exclusion For "Property Damage" To Your Product)

198. AISLIC repeats and re-alleges paragraphs 1 through 197 as though fully set forth herein.

199. AISLIC asserts that the Underlying Defendants' potential or actual liability for the alleged rusting of the light gauge steel framing supports of the perimeter of the Palazzo Pools may be excluded from coverage because it is "Property Damage" to Your Product. AISLIC is informed and believes that Liberty disputes this contention.

200. A present and actual controversy exists by and between AISLIC and Liberty with respect to coverage for damages resulting from rusting of the light gauge steel framing supports of the perimeter of the Palazzo Pools excluded from coverage because it is "Property Damage" to "your product" under AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

TWENTY-FIRST CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Reduced Strength and Load Carrying Capacity Of The Palazzo Pools Is Excluded By The AISLIC Policy's Exclusion For "Property Damage" To Your Product)

201. AISLIC repeats and re-alleges paragraphs 1 through 200 as though fully set forth herein.

202. AISLIC asserts that the alleged reduced strength and load carrying capacity of the Palazzo Pools, which is alleged to the result of corrosion on much of the metal stud framing may constitute "Property Damage" to Your Product and may be excluded in whole or in part by Exclusion F of the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

203. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for damages resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools are excluded damages pursuant to Exclusion F of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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TWENTY-SECOND CAUSE OF ACTION

(Declaratory Relief Whether Liability For The Alleged Rusting Of Untreated Steel Framing System Is Excluded From Coverage By The Exclusion For "Property Damage" To Your Product In The AISLIC Policy)

204. AISLIC repeats and re-alleges paragraphs 1 through 203 as though fully set forth herein.

205. AISLIC asserts that any of the Underlying Defendants' liability for the alleged rusting and deterioration of the untreated steel framing system may constitute liability for "Property Damage" to "Your Product" and may be excluded by Exclusion F of the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

206. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for the Underlying Defendants' liability for the alleged rusting of untreated steel framing system is excluded from coverage pursuant to Exclusion F of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

TWENTY-THIRD CAUSE OF ACTION

(Declaratory Relief Whether Some Or All Of The Damages Are Excluded Under The Exclusion In The AISLIC Policy For "Property Damage" To Your Work)

207. AISLIC repeats and re-alleges paragraphs 1 through 206 as though fully set forth herein.

208. AISLIC asserts that some or all of the damages alleged against the Underlying Defendants may not be covered by the AISLIC Policy due to Exclusion G, which precludes coverage for "Property Damage" "to Your Work arising out of it or any part of it and included in the Products-Completed Operations Hazard." AISLIC is informed and believes that Liberty disputes this contention.

209. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any of damages alleged against the Underlying Defendants are excluded

pursuant to Exclusion G of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

TWENTY-FOURTH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Rusting Of The Light Gauge Steel Framing Is Excluded By The AISLIC Policy's Exclusion For "Property Damage" To Your Work)

210. AISLIC repeats and re-alleges paragraphs 1 through 209 as though fully set forth herein.

211. AISLIC asserts that any coverage for liability arising out of the alleged rusting of the light gauge steel framing supports of the perimeter of the Palazzo Pools may be excluded pursuant to Exclusion G of the AISLIC Policy, which precludes coverage for "Property Damage" "to Your Work arising out of it or any part of it and included in the Products-Completed Operations Hazard." AISLIC is informed and believes that Liberty disputes this contention.

212. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for damages resulting from the alleged rusting of the light gauge steel framing supports of the perimeter of the Palazzo Pools is excluded damages pursuant to Exclusion G of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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TWENTY-FIFTH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Rusting And Deterioration Of Untreated Steel Framing Is Excluded By The AISLIC Policy's Exclusion For "Property Damage" To Your Work)

213. AISLIC repeats and re-alleges paragraphs 1 through 212 as though fully set forth herein.

214. AISLIC asserts that to the extent any liability for the alleged rusting and deterioration of the untreated steel framing system constitutes liability for "Property Damage" otherwise covered by the AISLIC Policy, it may be excluded by Exclusion G. AISLIC is informed and believes that Liberty disputes this contention.

215. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for damages resulting from the alleged rusting and deterioration of the untreated steel framing system is excluded by Exclusion G of the AISLIC Policy, which precludes coverage for "Property Damage" "to Your Work arising out of it or any part of it and included in the Products-Completed Operations Hazard." Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

TWENTY-SIXTH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Reduced Strength And Load Capacity Of Palazzo Pools Is Excluded By The AISLIC Policy's Exclusion For "Property Damage" To Your Work

216. AISLIC repeats and re-alleges paragraphs 1 through 215 as though fully set forth herein.

217. AISLIC asserts that the alleged reduced strength and load carrying capacity of the Palazzo Pools, which is alleged to be the result of corrosion on much of the metal stud framing, may constitute "Property Damage" to Your Work and may be excluded in whole or in part by Exclusion G of the AISLIC Policy, which precludes coverage for "Property Damage" "to Your

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Work arising out of it or any part of it and included in the Products-Completed Operations Hazard." AISLIC is informed and believes that Liberty disputes this contention.

218. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for damages resulting from the alleged reduced strength and load carrying capacity of Palazzo Pools as a result of corrosion on much of the metal stud framing is excluded by Exclusion G of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

TWENTY-SEVENTH CAUSE OF ACTION

(Declaratory Relief Whether Some Or All Of The Damages Are Excluded By The Exclusion In The AISLIC Policy For Expected Or Intended Injury)

219. AISLIC repeats and re-alleges paragraphs 1 through 218 as though fully set forth herein.

220. AISLIC asserts that any coverage some or all of the damages alleged the Underlying Defendants may be excluded from coverage pursuant to Exclusion K, which precludes coverage for damages either expected or intended from the standpoint of the insured. AISLIC is informed and believes that Liberty disputes this contention.

221. A present and actual controversy exists by and between AISLIC and Liberty with respect to damages excluded by Exclusion K of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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TWENTY-EIGHTH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Rusting Of The Light Gauge Steel Framing Is Excluded By The AISLIC Policy Because It Was Expected Or Intended)

222. AISLIC repeats and re-alleges paragraphs 1 through 221 as though fully set forth herein.

223. AISLIC asserts that any coverage for the alleged rusting of the light gauge steel framing supports of the perimeter of the Palazzo Pools may be excluded because the rusting was expected or intended from the standpoint of the insured and subject to Exclusion K of the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

224. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the alleged rusting was expected or intended from the standpoint of the insured and subject to Exclusion K of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

TWENTY-NINTH CAUSE OF ACTION

(Declaratory Whether Any Coverage For The Alleged Omission Of The CMU Wall Framing And Replacement Is Excluded By The Exclusion For Expected Or Intended Injury In The AISLIC Policy)

225. AISLIC repeats and re-alleges paragraphs 1 through 224 as though fully set forth herein.

226. AISLIC asserts that any coverage for liability arising from the alleged omission of the CMU wall framing and replacement with a non-rust resistant, simple shop prime light-gauge metal stud framing system may be excluded by Exclusion K of the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

227. A present and actual controversy exists by and between AISLIC and Liberty with respect to coverage for damages resulting from the alleged omission of the CMU wall framing and replacement with non-rust resistant, simple shop prime light-gauge metal stud framing system due

to Exclusion K of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

THIRTIETH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Use Of Inadequate/Inappropriate Steel Framing Is Excluded By The Exclusion For Expected Or Intended Injury In The AISLIC Policy)

228. AISLIC repeats and re-alleges paragraphs 1 through 227 as though fully set forth herein.

229. AISLIC asserts that any coverage for some or all liability arising from the alleged use of inappropriate/inadequate steel framing system inconsistent with original plans may be excluded by Exclusion K of the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

230. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for damages resulting from the alleged use of inappropriate/inadequate steel framing system inconsistent with original plans is excluded pursuant to Exclusion K of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

THIRTY-FIRST CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Rusting and Deterioration Of The Untreated Steel Framing System Is Excluded By The Exclusion For Expected Or Intended Injury In The AISLIC Policy)

231. AISLIC repeats and re-alleges paragraphs 1 through 230 as though fully set forth herein.

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232. AISLIC asserts that any coverage for liability for the alleged rusting and deterioration of the untreated steel framing system may be excluded by Exclusion K of the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

233. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for damages resulting from the alleged rusting and deterioration of the untreated steel framing system is excluded pursuant to Exclusion K of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

THIRTY-SECOND CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Reduced Strength And Load Carrying Capacity Of Palazzo Pools Is Excluded By The Exclusion For Expected Or Intended Injury In The AISLIC Policy)

234. AISLIC repeats and re-alleges paragraphs 1 through 233 as though fully set forth herein.

235. AISLIC asserts that any coverage for the alleged reduced strength and load carrying capacity of the Palazzo Pools may be excluded in whole or in part by Exclusion K of the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

236. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for damages resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools is excluded pursuant to Exclusion K of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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THIRTY-THIRD CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For Water Presence In Vaults Is Excluded By The Exclusion For Expected Or Intended Injury In The AISLIC Policy)

237. AISLIC repeats and re-alleges paragraphs 1 through 236 as though fully set forth herein.

238. AISLIC asserts that any coverage for damages arising from the alleged presence of water in the vaults may be excluded in whole or in part by Exclusion K of the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

239. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for damages resulting from the alleged presence of water in the vaults is excluded pursuant to Exclusion K of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

THIRTY-FOURTH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Omission Of CMU Wall Framing And Its Replacement Is Excluded By The AISLIC Policy Because It Was Expected Or Intended)

240. AISLIC repeats and re-alleges paragraphs 1 through 239 as though fully set forth herein.

241. AISLIC asserts that any coverage for liability resulting from the alleged omission of the CMU wall framing and replacement with a non-rust resistant, simple shop prime light-gauge metal stud framing system may be excluded because damages resulting therefrom were intended or expected from the standpoint of the insured and subject to Exclusion K of the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

242. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for damages resulting from the alleged omission of the CMU wall framing and replacement with a non-rust resistant, simple shop prime light-gauge metal stud

framing system is excluded pursuant to Exclusion K of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

THIRTY-FIFTH CAUSE OF ACTION

(Declaratory Relief Whether Some Or All Of The Damages Are By The Exclusion For The Recall Of An Insured's Work, Product, Or Impaired Property)

243. AISLIC repeats and re-alleges paragraphs 1 through 242 as though fully set forth herein.

244. AISLIC asserts that any coverage for some or all of the damages alleged in the Underlying Action may be excluded pursuant to Exclusion R, which applies to exclude coverage for damages claimed for "any loss, cost, or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of 'Your Product,' 'Your Work,' or 'Impaired Property.'" AISLIC is informed and believes that Liberty disputes this contention.

245. A present and actual controversy exists by and between AISLIC and Liberty with respect to damages excluded pursuant to Exclusion R of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

THIRTY-SIXTH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Rusting of Untreated Steel Framing Is Excluded By The AISLIC Policy's Exclusion For The Recall Of An Insured's Work, Product, Or Impaired Property)

246. AISLIC repeats and re-alleges paragraphs 1 through 245 as though fully set forth herein.

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247. AISLIC asserts that any coverage for damages resulting from the alleged rusting of untreated steel framing may be excluded by Exclusion R of the AISLIC Policy, which applies to exclude coverage for damages claimed for "any loss, cost, or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of 'Your Product,' 'Your Work,' or 'Impaired Property.'" AISLIC is informed and believes that Liberty disputes this contention.

248. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for damages resulting from the alleged rusting of untreated steel framing is excluded pursuant to Exclusion R of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

THIRTY-SEVENTH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Reduced Strength And Load Carrying Capacity Of The Palazzo Pools Is Excluded By The AISLIC Policy's Exclusion For The Recall Of The Insureds' Work, Product, Or Impaired Property)

249. AISLIC repeats and re-alleges paragraphs 1 through 248 as though fully set forth herein.

250. AISLIC asserts that any coverage for damages resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools may be excluded in whole or in part by Exclusion R of the AISLIC Policy, which applies to exclude coverage for damages claimed for "any loss, cost, or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of 'Your Product,' 'Your Work,' or 'Impaired Property.'" AISLIC is informed and believes that Liberty disputes this contention.

251. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for damages resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools is excluded damages pursuant to Exclusion R of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the

parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

THIRTY-EIGHTH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Damages In The Underlying Action Are Excluded Under The Professional Liability Exclusion In The AISLIC Policy)

252. AISLIC repeats and re-alleges paragraphs 1 through 251 as though fully set forth herein.

253. AISLIC asserts that any coverage for some or all of the damages alleged in the Underlying Action may be excluded based on the Professional Liability Exclusion Endorsement in the AISLIC Policy, which excludes coverage for liability "arising out of any act, error, omission, malpractice or mistake of a professional nature committed by the Insured or any person for whom the Insured is legally responsible." AISLIC is informed and believes that Liberty disputes this contention.

254. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether some or all of the damages alleged in the Underlying Action are excluded from coverage under the AISLIC Policy based on the Professional Liability Exclusion Endorsement. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

THIRTY-NINTH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Use Of Inappropriate/Inadequate Steel Framing Is Excluded By The Professional Liability Exclusion In The AISLIC Policy)

255. AISLIC repeats and re-alleges paragraphs 1 through 254 as though fully set forth herein.

256. AISLIC asserts that any coverage for liability arising from the alleged use of inappropriate/inadequate steel framing system inconsistent with original plans may be excluded by

the Professional Liability Exclusion in the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

257. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for the alleged use of inappropriate/inadequate steel is excluded pursuant to the Professional Liability Exclusion. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FORTIETH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage Under For Rusting and Deterioration of Untreated Steel Framing Is Excluded Under The Professional Liability Exclusion Of The AISLIC Policy)

258. AISLIC repeats and re-alleges paragraphs 1 through 257 as though fully set forth herein.

259. AISLIC asserts that any coverage for damages resulting from the alleged rusting and deterioration of the untreated steel framing system may be excluded by the Professional Liability Exclusion in the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

260. A present and actual controversy exists by and between AISLIC and Liberty with respect to coverage for the alleged rusting and deterioration of untreated steel framing is excluded pursuant to the Professional Liability Exclusion. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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FORTY-FIRST CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For Any Alleged Reduced Strength And Load Capacity Of Palazzo Pools Is Excluded By The Professional Liability Exclusion In The AISLIC Policy)

261. AISLIC repeats and re-alleges paragraphs 1 through 260 as though fully set forth herein.

262. AISLIC asserts that any coverage for the alleged reduced strength and load carrying capacity of the Palazzo Pools may be excluded by the Professional Liability Exclusion in the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

263. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for damages resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools is excluded pursuant to the Professional Liability Exclusion of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FORTY-SECOND CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Damages In The Underlying Action Is Excluded By The Miscellaneous Changes Endorsement In The AISLIC Policy)

264. AISLIC repeats and re-alleges paragraphs 1 through 263 as though fully set forth herein.

265. AISLIC asserts that any coverage for some or all of the damages alleged in the Underlying Action may be excluded by the Miscellaneous Changes Endorsement in the AISLIC Policy, which excludes coverage for "Property Damage" "expected or intended from the standpoint of the Insured." AISLIC is informed and believes that Liberty disputes this contention.

266. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage some or all of the alleged damages in the Underlying Action are excluded under the Miscellaneous Changes Endorsement. Based thereon, this Court has authority to

issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FORTY-THIRD CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Rusting and Deterioration of Untreated Steel Framing Is Excluded By The Miscellaneous Changes Endorsement In The AISLIC Policy)

267. AISLIC repeats and re-alleges paragraphs 1 through 266 as though fully set forth herein.

268. AISLIC asserts that any coverage for damages resulting from the alleged rusting and deterioration of the untreated steel framing system caused may be excluded by the Miscellaneous Changes Endorsement in the AISLIC Policy, which excludes coverage for "Property Damage" "expected or intended from the standpoint of the Insured." AISLIC is informed and believes that Liberty disputes this contention.

269. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for the alleged rusting or deterioration of the untreated steel framing is excluded under the Miscellaneous Changes Endorsement. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FORTY-FOURTH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Use of Inadequate/Inappropriate Steel Framing System Is Excluded By The Miscellaneous Changes Endorsement In The AISLIC Policy)

270. AISLIC repeats and re-alleges paragraphs 1 through 269 as though fully set forth herein.

271. AISLIC asserts that any coverage for liability arising from the alleged use of inappropriate/inadequate steel framing system inconsistent with original plans may be excluded by

the Miscellaneous Changes Endorsement, which excludes coverage for "Property Damage" "expected or intended from the standpoint of the Insured."

272. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for liability from alleged use of inappropriate/inadequate steel framing is excluded under the Miscellaneous Changes Endorsement. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FORTY-FIFTH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Omission Of CMU Wall Framing and Its Replacement Is Excluded By The Miscellaneous Changes Endorsement In The AISLIC Policy)

273. AISLIC repeats and re-alleges paragraphs 1 through 272 as though fully set forth herein.

274. AISLIC asserts that any coverage for the alleged omission of the CMU wall framing and replacement with a non-rust resistant, simple shop prime light-gauge metal stud framing system may be excluded by the Miscellaneous Changes Endorsement in the AISLIC Policy, which excludes coverage for "Property Damage" "expected or intended from the standpoint of the Insured." AISLIC is informed and believes that Liberty disputes this contention.

275. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the alleged omission of CMU wall framing and its replacement is excluded from coverage under the Miscellaneous Changes Endorsement. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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FORTY-SIXTH CAUSE OF ACTION

(Declaratory Relief Whether Any Coverage For The Alleged Reduced Strength And Load Carrying Capacity of Palazzo Pools Is Excluded By The Miscellaneous Changes Endorsement In The AISLIC Policy)

276. AISLIC repeats and re-alleges paragraphs 1 through 275 as though fully set forth herein.

277. AISLIC asserts that any coverage for liability resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools may be excluded in whole or in part by the Miscellaneous Changes Endorsement in the AISLIC Policy, which excludes coverage for "Property Damage" "expected or intended from the standpoint of the Insured." AISLIC is informed and believes that Liberty disputes this contention.

278. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any coverage for damages resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools is excluded by the Miscellaneous Changes Endorsement of the AISLIC Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FORTY-SEVENTH CAUSE OF ACTION

(Declaratory Relief Whether Rusting Of Shop-Primed Steel Is The Expected Result Of Its Use)

279. AISLIC repeats and re-alleges paragraphs 1 through 278 as though fully set forth herein.

280. AISLIC asserts that the alleged rusting of the shop-primed steel may have been the expected result of its use in the environment in which it was used and any resulting liability may not be covered by the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

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281. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether rusting of the shop-primed steel was expected and any resulting liability is covered. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FORTY-EIGHTH CAUSE OF ACTION

(Declaratory Relief Regarding The Number Of "Occurrences" Alleged In The Underlying Action Forming The Basis For Taylor's Potential Liability)

282. AISLIC repeats and re-alleges paragraphs 1 through 281 as though fully set forth herein.

283. AISLIC asserts that the number of "occurrences" alleged in the Underlying Action that form the basis for Taylor's potential liability, if any at all, may be more than one. AISLIC is informed and believes that Liberty disputes this contention.

284. A present and actual controversy exists by and between AISLIC and Liberty with respect to the number of "occurrences" alleged in the Underlying Action forming the basis for Taylor's potential liability. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FORTY-NINTH CAUSE OF ACTION

(Declaratory Relief Whether The Acts And Omissions Of Water FX, LLC In The Underlying Action For Which Taylor May Be Held Vicariously Liable Are Separate "Occurrences" From The Acts And Omissions Of Mirage Builders For Which Taylor May Be Liable)

285. AISLIC repeats and re-alleges paragraphs 1 through 284 as though fully set forth herein.

286. AISLIC asserts that the acts and omissions of Water FX, LLC in the Underlying Action for which Taylor may be held vicariously liable may constitute separate "occurrences" from

the acts and omissions of Mirage Builders for which Taylor may be liable if they constitute an "occurrence" at all. AISLIC is informed and believes that Liberty disputes this contention.

287. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the acts and omissions of Water FX, LLC in the Underlying Action for which Taylor may be held vicariously liable are separate "occurrences" from the acts and omissions of Mirage Builders for which Taylor may be liable if they constitute an "occurrence" at all. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FIFTIETH CAUSE OF ACTION

(Declaratory Relief Whether The Acts And Omissions Of Mirage Builders In The Underlying Action For Which Taylor May Be Held Vicariously Liable Are Separate "Occurrences" From The Acts And Omissions Of Water FX, LLC For Which Taylor May Be Liable)

288. AISLIC repeats and re-alleges paragraphs 1 through 287 as though fully set forth herein.

289. AISLIC asserts that the acts and omissions of Mirage Builders in the Underlying Action for which Taylor may be held vicariously liable may constitute separate "occurrences" from the acts and omissions of Water FX, LLC for which Taylor may be liable if they constitute an "occurrence" at all. AISLIC is informed and believes that Liberty disputes this contention.

290. A present and actual controversy exists by and between AISLIC and Liberty with respect to the acts and omissions of Mirage Builders in the Underlying Action for which Taylor may be held vicariously liable are separate "occurrences" from the acts and omissions of Water FX, LLC for which Taylor may be liable if they constitute an "occurrence" at all. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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FIFTY-FIRST CAUSE OF ACTION

(Declaratory Relief Whether The Acts And Omissions Of Technicoat In The Underlying Action For Which Taylor Is Or May Found To Be Vicariously Liable Are Separate "Occurrences" From The Acts And Omissions Of Other Subcontractors For Which Taylor May Be Liable)

291. AISLIC repeats and re-alleges paragraphs 1 through 290 as though fully set forth herein.

292. AISLIC asserts that the acts and omissions of Technicoat in the Underlying Action for which Taylor may be held vicariously liable may constitute separate "occurrences" from the acts and omissions of other subcontractors for which Taylor may be liable if they constitute an "occurrence" at all. AISLIC is informed and believes that Liberty disputes this contention.

293. A present and actual controversy exists by and between AISLIC and Liberty with respect to the acts and omissions of Technicoat in the Underlying Action for which Taylor may be held vicariously liable are separate "occurrences" from the acts and omissions of other subcontractors for which Taylor may be liable if they constitute an "occurrence" at all. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FIFTY-SECOND CAUSE OF ACTION

(Declaratory Relief Whether The Acts And Omissions Of Tracy & Ryder In The Underlying Action For Which Taylor May Be Held Vicariously Liable Are Separate "Occurrences" From The Acts And Omissions Of Other Subcontractors For Which Taylor May Be Liable)

294. AISLIC repeats and re-alleges paragraphs 1 through 293 as though fully set forth herein.

295. AISLIC asserts that the acts and omissions of Tracy & Ryder in the Underlying Action for which Taylor may be held vicariously liable may constitute separate "occurrences" from the acts and omissions of other subcontractors for which Taylor may be liable if they constitute an "occurrence" at all. AISLIC is informed and believes that Liberty disputes this contention.

296. A present and actual controversy exists by and between AISLIC and Liberty with respect to the acts and omissions of Tracy & Ryder in the Underlying Action for which Taylor may

be held vicariously liable are separate "occurrences" from the acts and omissions of other subcontractors for which Taylor may be liable. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FIFTY-THIRD CAUSE OF ACTION

(Declaratory Relief Whether The Acts And Omissions Of Hansen Mechanical In The Underlying Action For Which Taylor May Be Held Vicariously Liable Are Separate "Occurrences" From The Acts And Omissions Of Other Subcontractors For Which Taylor May Be Liable)

297. AISLIC repeats and re-alleges paragraphs 1 through 296 as though fully set forth herein.

298. AISLIC asserts that the acts and omissions of Hansen Mechanical in the Underlying Action for which Taylor may be held vicariously may constitute are separate "occurrences" from the acts and omissions of other subcontractors for which Taylor may be liable if they constitute an "occurrence" at all. AISLIC is informed and believes that Liberty disputes this contention.

299. A present and actual controversy exists by and between AISLIC and Liberty with respect to the acts and omissions of Hansen Mechanical in the Underlying Action for which Taylor may be held vicariously liable are separate "occurrences" from the acts and omissions of other subcontractors for which Taylor may be liable if they constitute an "occurrence" at all. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FIFTY-FOURTH CAUSE OF ACTION

(Declaratory Relief Whether The Acts And Omissions Of Isaac Construction In The Underlying Action For Which Taylor May Be Held Vicariously Liable Are Separate "Occurrences" From The Acts And Omissions Of Other Subcontractors For Which Taylor May Be Liable)

300. AISLIC repeats and re-alleges paragraphs 1 through 299 as though fully set forth herein.

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301. AISLIC asserts that the acts and omissions of Isaac Construction in the Underlying Action for which Taylor may be held vicariously liable may constitute separate "occurrences" from the acts and omissions of other subcontractors for which Taylor may be liable if they constitute an "occurrence" at all. AISLIC is informed and believes that Liberty disputes this contention.

302. A present and actual controversy exists by and between AISLIC and Liberty with respect to the acts and omissions of Isaac Construction in the Underlying Action for which Taylor may be held vicariously liable are separate "occurrences" from the acts and omissions of other subcontractors for which Taylor may be liable if they constitute an "occurrence" at all. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FIFTY-FIFTH CAUSE OF ACTION

(Declaratory Relief Regarding The Number Of "Occurrences" Alleged Or Otherwise Established In The Underlying Action Forming The Basis For Water FX's Liability)

303. AISLIC repeats and re-alleges paragraphs 1 through 302 as though fully set forth herein.

304. AISLIC asserts that the number or "occurrences" alleged or otherwise established in the Underlying Action forming the basis for Water FX's liability may constitute more than one if they constitute an "occurrence" at all. AISLIC is informed and believes that Liberty disputes this contention.

305. A present and actual controversy exists by and between AISLIC and Liberty with respect to the number of "occurrences" alleged or otherwise established in the Underlying Action forming the basis for Water FX's potential or actual liability. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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FIFTY-SIXTH CAUSE OF ACTION

(Declaratory Relief Regarding The Number Of "Occurrences" Alleged Or Otherwise Established In The Underlying Action Forming The Basis For Global Pacific Construction's Liability)

306. AISLIC repeats and re-alleges paragraphs 1 through 305 as though fully set forth herein.

307. AISLIC asserts that the number or "occurrences" alleged or otherwise established in the Underlying Action forming the basis for Global Pacific Construction's liability may constitute more than one, if any at all. AISLIC is informed and believes that Liberty disputes this contention.

308. A present and actual controversy exists by and between AISLIC and Liberty with respect to the number of "occurrences" alleged or otherwise established in the Underlying Action forming the basis for Global Pacific Construction's potential or actual liability. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FIFTY-SEVENTH CAUSE OF ACTION

(Declaratory Relief Regarding The Number Of "Occurrences" Alleged Or Otherwise Established In The Underlying Action Forming The Basis For Global Island, Inc.'s Liability)

309. AISLIC repeats and re-alleges paragraphs 1 through 308 as though fully set forth herein.

310. AISLIC asserts that the number or "occurrences" alleged or otherwise established in the Underlying Action forming the basis for Global Island, Inc.'s liability may constitute more than one if they constitute an "occurrence" at all. AISLIC is informed and believes that Liberty disputes this contention.

311. A present and actual controversy exists by and between AISLIC and Liberty with respect to the number of "occurrences" alleged or otherwise established in the Underlying Action forming the basis for Global Island, Inc.'s potential or actual liability. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the

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respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FIFTY-EIGHTH CAUSE OF ACTION

(Declaratory Relief Regarding The Number Of "Occurrences" Alleged Or Otherwise Established In The Underlying Action Forming The Basis For Mirage Builder, Inc.'s Liability)

312. AISLIC repeats and re-alleges paragraphs 1 through 311 as though fully set forth herein.

313. AISLIC asserts that the number or "occurrences" alleged or otherwise established in the Underlying Action forming the basis for Mirage Builder, Inc.'s liability may constitute more than one, if any at all. AISLIC is informed and believes that Liberty disputes this contention.

314. A present and actual controversy exists by and between AISLIC and Liberty with respect to the number of "occurrences" alleged or otherwise established in the Underlying Action forming the basis for Mirage Builder, Inc.'s potential or actual liability. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

FIFTY-NINTH CAUSE OF ACTION

(Declaratory Relief Regarding The Number Of "Occurrences" Alleged Or Otherwise Established In The Underlying Action Forming The Basis For Any Named Defendant's Liability Arising Out Of The Acts And Omissions Of Technicoat)

315. AISLIC repeats and re-alleges paragraphs 1 through 314 as though fully set forth herein.

316. AISLIC asserts that the number of "occurrences" alleged or otherwise established in the Underlying Action forming the basis for any Underlying Defendant's liability, if any, arising out of the acts and omissions of Technicoat may be distinct from the "occurrences," if any, forming the basis of the liability of other Underlying Defendants. AISLIC is informed and believes that Liberty disputes this contention.

317. A present and actual controversy exists by and between AISLIC and Liberty with respect to the number of "occurrences" alleged or otherwise established in the Underlying Action forming the basis for any Underlying Defendant's liability arising out of the acts and omissions of Technicoat and whether they are distinct from the "occurrences," if any, forming the basis of the liability of other Underlying Defendants. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SIXTIETH CAUSE OF ACTION

(Declaratory Relief Regarding The Number Of "Occurrences" Alleged Or Otherwise Established In The Underlying Action Forming The Basis For Any Named Defendant's Liability Arising Out Of The Acts And Omissions Of Tracy & Ryder)

318. AISLIC repeats and re-alleges paragraphs 1 through 317 as though fully set forth herein.

319. AISLIC asserts that the number of "occurrences" alleged or otherwise established in the Underlying Action forming the basis for the Underlying Defendant's liability, if any, arising out of the acts and omissions of Tracy & Ryder may be distinct from the "occurrences," if any, forming the basis of the liability of other Underlying Defendants. AISLIC is informed and believes that Liberty disputes this contention.

320. A present and actual controversy exists by and between AISLIC and Liberty with respect to the number of "occurrences" alleged or otherwise established in the Underlying Action forming the basis for any Underlying Defendant's liability arising out of the acts and omissions of Tracy & Ryder, and whether the basis is distinct from the "occurrences," if any at all, forming the basis of the liability of other Underlying Defendants. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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SIXTY-FIRST CAUSE OF ACTION

(Declaratory Relief Regarding The Number Of "Occurrences" Alleged Or Otherwise Established In The Underlying Action Forming The Basis For Any Named Defendant's Potential Or Actual Liability Arising Out Of The Acts And Omissions Of Hansen Mechanical)

321. AISLIC repeats and re-alleges paragraphs 1 through 320 as though fully set forth herein.

322. AISLIC asserts that the number of "occurrences" alleged or otherwise established in the Underlying Action forming the basis for any Underlying Defendant's liability, if any, arising out of the acts and omissions of Hansen Mechanical may be distinct from the "occurrences," if any, forming the basis of the liability of other Underlying Defendants. AISLIC is informed and believes that Liberty disputes this contention.

323. A present and actual controversy exists by and between AISLIC and Liberty with respect to the number of "occurrences" alleged or otherwise established in the Underlying Action forming the basis for any Underlying Defendant's liability arising out of the acts and omissions of Hansen Mechanical, and whether the basis is distinct from the "occurrences," if any at all, forming the basis of the liability of other Underlying Defendants. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SIXTY-SECOND CAUSE OF ACTION

(Declaratory Relief Regarding The Number Of "Occurrences" Alleged Or Otherwise Established In The Underlying Action Forming The Basis For Any Named Defendant's Potential Or Actual Liability Arising Out Of The Acts And Omissions Of Isaac Construction)

324. AISLIC repeats and re-alleges paragraphs 1 through 323 as though fully set forth herein.

325. AISLIC asserts that the number of "occurrences" alleged or otherwise established in the Underlying Action forming the basis for any Underlying Defendant's liability, if any, arising out of the acts and omissions of Isaac Construction may be distinct from the "occurrences," if any,

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forming the basis of the liability of other Underlying Defendants. AISLIC is informed and believes that Liberty disputes this contention.

326. A present and actual controversy exists by and between AISLIC and Liberty with respect to the number of "occurrences" alleged or otherwise established in the Underlying Action forming the basis for any Underlying Defendant's liability arising out of the acts and omissions of Isaac Construction, and whether the basis is distinct from the "occurrences," if any at all, forming the basis of the liability of other Underlying Defendants. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SIXTY-THIRD CAUSE OF ACTION

(Declaratory Relief Whether Any Amounts Liberty Has Already Paid To Venetian Apply To The Retained Limit Under The AISLIC Policy Because Any Such Payments Were Not For Amounts That Would Be Covered Under The AISLIC Policy)

327. AISLIC repeats and re-alleges paragraphs 1 through 326 as though fully set forth herein.

328. AISLIC asserts amounts Liberty has already paid to Venetian do not apply to the Retained Limit under the AISLIC Policy because any such payments may not be for amounts that would be covered under the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

329. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any amounts Liberty paid Venetian prior to a judgment in the Underlying Action apply to reduce the Retained Limit under the AISLIC Policy because any such payments were not for amounts that would be covered under the AISLIC Policy. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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SIXTY-FOURTH CAUSE OF ACTION

(Declaratory Relief That Liberty Has At Least $4 Million In Limits Available For The Claims In The Underlying Action)

330. AISLIC repeats and re-alleges paragraphs 1 through 329 as though fully set forth herein.

331. AISLIC asserts that Liberty has at least $4 million in limits available for the claims in the Underlying Action. AISLIC is informed and believes that Liberty disputes this contention.

332. A present and actual controversy exists by and between AISLIC and Liberty with respect to Liberty having at least $4 million in limits available for the claims in the Underlying Action. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SIXTY-FIFTH CAUSE OF ACTION

(Declaratory Relief That Some Or All Of The Damages Alleged In The Underlying Action Are Covered By The Contractor's Rework Endorsement In The Liberty Policy)

333. AISLIC repeats and re-alleges paragraphs 1 through 330 as though fully set forth herein.

334. AISLIC asserts that some or all of the damages alleged in the Underlying Action are covered by the Contractor's Rework Endorsement in the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

335. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether some or all of the damages alleged in the Underlying Action are covered by the Contractor's Rework Endorsement in the Liberty Policy. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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SIXTY-SIXTH CAUSE OF ACTION

(Declaratory Relief That The Retained Limit Of The AISLIC Policy May Only Be Satisfied By Amounts That Are Covered By The AISLIC Policy)

336. AISLIC repeats and re-alleges paragraphs 1 through 335 as though fully set forth herein.

337. AISLIC asserts that the Retained Limit of the AISLIC Policy may only be satisfied by amounts that are covered under the AISLIC Policy. AISLIC is informed and believes that Liberty disputes this contention.

338. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the Retained Limit of the AISLIC Policy may only be satisfied by amounts that are covered under the AISLIC Policy. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SIXTY-SEVENTH CAUSE OF ACTION

(Declaratory Relief That At Least $2 Million Of The Amounts Claimed By Venetian Are Covered By The Contractor's Rework Endorsement In the Liberty Policy To The Extent Any Of The Underlying Defendants Are Liable For Such Amounts)

339. AISLIC repeats and re-alleges paragraphs 1 through 338 as though fully set forth herein.

340. AISLIC asserts that at least $2 million of the amounts claimed by Venetian are covered by the Contractor's Rework Endorsement in the Liberty Policy to the extent any of the Underlying Defendants are liable for such amounts. AISLIC is informed and believes that Liberty disputes this contention.

341. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether at least $2 million of the amounts claimed by Venetian are covered by the Contractor's Rework Endorsement in the Liberty Policy to the extent any of the Underlying Defendants are liable for such amounts. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SIXTY-EIGHTH CAUSE OF ACTION

(Declaratory Relief Whether Liberty Has A Duty To Fully Indemnify Taylor International Corp. In The Underlying Action)

342. AISLIC repeats and re-alleges paragraphs 1 through 341 as though fully set forth herein.

343. AISLIC asserts that Liberty has a duty to fully indemnify Taylor International Corp. in the Underlying Action to the extend this entity is insured and the claims against it are covered by the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

344. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether Liberty has a duty to fully indemnify Taylor International Corp. in the Underlying Action. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SIXTY-NINTH CAUSE OF ACTION

(Declaratory Relief Whether Liberty Has A Duty To Fully Indemnify Taylor International Construction, Inc. In The Underlying Action)

345. AISLIC repeats and re-alleges paragraphs 1 through 344 as though fully set forth herein.

346. AISLIC asserts that Liberty has a duty to fully indemnify Taylor International Construction, Inc. in the Underlying Action to the extent this entity is insured and the claims against it are covered by the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

347. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether Liberty has a duty to fully indemnify Taylor International Construction, Inc. in the Underlying Action. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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SEVENTIETH CAUSE OF ACTION

(Declaratory Relief Whether Liberty Has A Duty To Fully Indemnify Global Pacific Construction, Inc. In The Underlying Action)

348. AISLIC repeats and re-alleges paragraphs 1 through 347 as though fully set forth herein.

349. AISLIC asserts that Liberty has a duty to fully indemnify Global Pacific Construction, Inc. in the Underlying Action to the extent this entity is an insured and the claims against it are covered by the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

350. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether Liberty has a duty to fully indemnify Global Pacific Construction, Inc. in the Underlying Action. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SEVENTY-FIRST CAUSE OF ACTION

(Declaratory Relief Whether Liberty Has A Duty To Fully Indemnify Global Island, Inc. In The Underlying Action)

351. AISLIC repeats and re-alleges paragraphs 1 through 350 as though fully set forth herein.

352. AISLIC asserts that Liberty has a duty to fully indemnify Global Island, Inc. in the Underlying Action to the extent this entity is an insured and the claims against it are covered by the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

353. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether Liberty has a duty to indemnify Global Island, Inc. in the Underlying Action. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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SEVENTY-SECOND CAUSE OF ACTION

(Declaratory Relief Whether Liberty Has A Duty To Fully Indemnify Water FX, LLC In The Underlying Action)

354. AISLIC repeats and re-alleges paragraphs 1 through 353 as though fully set forth herein.

355. AISLIC asserts that Liberty has a duty to fully indemnify Water FX, LLC in the Underlying Action to the extent this entity is an insured and the claims against it are covered by the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

356. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether Liberty has a duty to fully indemnify Water FX, LLC in the Underlying Action. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SEVENTY-THIRD CAUSE OF ACTION

(Declaratory Relief Whether Liberty Has A Duty To Fully Indemnify Mirage Builders, Inc. In The Underlying Action)

357. AISLIC repeats and re-alleges paragraphs 1 through 356 as though fully set forth herein.

358. AISLIC asserts that Liberty has a duty to fully indemnify Mirage Builders, Inc. to the extent this entity is an insured and the claims against it are covered by the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

359. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether Liberty has a duty to indemnify Mirage Builders, Inc. in the Underlying Action. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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SEVENTY-FOURTH CAUSE OF ACTION

(Declaratory Relief Whether The Basis For The Potential Or Actual Liability Of The Underlying Defendants Is The Result Of Multiple "Occurrences" As Defined By The Liberty Policy)

360. AISLIC reinstates and re-alleges Paragraphs 1 through 359 as though fully set forth herein.

361. AISLIC asserts that the potential or actual liability of the Underlying Defendants may be the result of multiple "occurrences," if any, as defined by the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

362. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the potential or actual liability of the Underlying Defendants is the result of multiple "occurrences" as defined by the Liberty Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SEVENTY-FIFTH CAUSE OF ACTION

(Declaratory Relief Whether The Alleged Rusting Of Light Gauge Steel Framing Is A Distinct "Occurrence" From The Other Sources Of Potential Liability Of the Underlying Defendants As Defined By The Liberty Policy)

363. AISLIC reinstates and re-alleges Paragraphs 1 through 362 as though fully set forth herein.

364. AISLIC asserts that the alleged rusting of light gauge steel framing may be a distinct "occurrence" from the other sources of potential liability of the Underlying Defendants as defined by the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

365. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the alleged rusting of light gauge steel framing is a distinct "occurrence" from the other sources of liability of the Underlying Defendants as defined by the Liberty Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a

present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SEVENTY-SIXTH CAUSE OF ACTION

(Declaratory Relief Whether The Alleged Omission Of CMU Wall Framing And Choice To Replace With Simple Shop Prime Light-Gauge Metal Stud Framing Is A Distinct "Occurrence" From The Other Sources Of Potential Liability Of the Underlying Defendants As Defined By The Liberty Policy)

366. AISLIC reinstates and re-alleges Paragraphs 1 through 365 as though fully set forth herein.

367. AISLIC asserts that the alleged omission of CMU wall framing and choice to replace with simple shop prime light-gauge metal stud framing may be a distinct "occurrence," if it is one at all, from the other sources of potential liability of the Underlying Defendants as defined by the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

368. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the alleged omission of CMU wall framing and choice to replace with simple shop prime light-gauge metal stud framing is a distinct "occurrence," if one at all, from the other sources of potential liability of the Underlying Defendants as defined by the Liberty Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SEVENTY-SEVENTH CAUSE OF ACTION

(Declaratory Relief Whether Damages Due To Alleged Use Of Shop Prime Light-Gauge Metal Stud Framing System Is A Distinct "Occurrence," If It Is One At All, From The Other Sources Of Potential Liability Of the Underlying Defendants As Defined By The Liberty Policy)

369. AISLIC reinstates and re-alleges Paragraphs 1 through 368 as though fully set forth herein.

370. AISLIC asserts that damages due to alleged use of shop prime light-gauge metal stud framing system may be a distinct "occurrence," if it is one at all, from the other sources of potential

liability of the Underlying Defendants as defined by the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

371. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether damages due to alleged use of shop prime light-gauge metal stud framing system is a distinct "occurrence," if one at all, from the other sources of potential liability of the Underlying Defendants as defined by the Liberty Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

SEVENTY-EIGHTH CAUSE OF ACTION

(Declaratory Relief Whether The Alleged Rusting And Deterioration Of Untreated Steel Framing System Is A Distinct "Occurrence," If One At All, From The Other Sources Of Potential Liability Of the Underlying Defendants As Defined By The Liberty Policy)

372. AISLIC reinstates and re-alleges Paragraphs 1 through 371 as though fully set forth herein.

373. AISLIC asserts that the alleged rusting and deterioration of untreated steel framing system may be a distinct "occurrence," if one at all, from the other sources of potential liability of the Underlying Defendants as defined by the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

374. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the alleged rusting and deterioration of untreated steel framing system is a distinct "occurrence" from the other sources of potential liability of the Underlying Defendants as defined by the Liberty Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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SEVENTY-NINTH CAUSE OF ACTION

(Declaratory Relief Regarding The Number Of "Occurrences," If Any At All, Forming The Basis For The Potential Or Actual Liability For All Underlying Defendants Under The Liberty Policy)

375. AISLIC reinstates and re-alleges Paragraphs 1 through 374 as though fully set forth herein.

376. AISLIC asserts that the number of "occurrences," if any at all, forming the basis for the potential or actual liability for all Underlying Defendants under the Liberty Policy, may be more than one. AISLIC is informed and believes that Liberty disputes this contention.

377. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether the number of "occurrences" forming the basis for the potential or actual liability for all Underlying Defendants under the Liberty Policy, if any, is more than one. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

EIGHTIETH CAUSE OF ACTION

(Declaratory Relief Whether Any Liability Of The Underlying Defendants For The Alleged Rusting Of The Light Gauge Steel Framing Supporting The Perimeter Of The Palazzo Pools Is Covered By The Contractor's Rework Endorsement Of The Liberty Policy)

378. AISLIC reinstates and re-alleges Paragraphs 1 through 377 as though fully set forth herein.

379. AISLIC asserts that any liability of the Underlying Defendants for the alleged rusting of the light gauge steel framing supporting the perimeter of the Palazzo Pools may be covered by the Contractor's Rework Endorsement of the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

380. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any liability of the Underlying Defendants for the alleged rusting of the light gauge steel framing supporting the perimeter of the Palazzo Pools is covered by the Contractor's Rework Endorsement of the Liberty Policy. Based thereon, this Court has authority to issue a

declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

EIGHTY-FIRST CAUSE OF ACTION

(Declaratory Relief Whether Any Liability Of The Underlying Defendants For The Alleged Omission Of The CMU Wall Framing And Its Replacement With A Non-Rust Resistant, Simple Shop Prime Light-Gauge Metal Stud Framing System At The Palazzo Pools Is Covered By The Contractor's Rework Endorsement Of The Liberty Policy)

381. AISLIC reinstates and re-alleges Paragraphs 1 through 380 as though fully set forth herein.

382. AISLIC asserts that any liability of the Underlying Defendants for the alleged omission of the CMU wall framing and its replacement with a non-rust resistant, simple shop prime light-gauge metal stud framing system at the Palazzo Pools may covered by the Contractor's Rework Endorsement of the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

383. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any liability of the Underlying Defendants for the alleged omission of the CMU wall framing and its replacement with a non-rust resistant, simple shop prime light-gauge metal stud framing system at the Palazzo Pools is covered by the Contractor's Rework Endorsement of the Liberty Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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EIGHTY-SECOND CAUSE OF ACTION

(Declaratory Relief Whether Any Liability Of The Underlying Defendants For The Alleged Use Of Inappropriate/Inadequate Steel Framing System Inconsistent With Original Plans At The Palazzo Pools Is Covered By The Contractor's Rework Endorsement Of The Liberty Policy)

384. AISLIC reinstates and re-alleges Paragraphs 1 through 383 as though fully set forth herein.

385. AISLIC asserts that any liability of the Underlying Defendants for the alleged use of inappropriate/inadequate steel framing system inconsistent with original plans at the Palazzo Pools may be covered by the Contractor's Rework Endorsement of the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

386. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any liability of the Underlying Defendants for the alleged use of inappropriate/inadequate steel framing system inconsistent with original plans at the Palazzo Pools is covered by the Contractor's Rework Endorsement of the Liberty Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

EIGHTY-THIRD CAUSE OF ACTION

(Declaratory Relief Whether Any Liability Of The Underlying Defendants For The Alleged Rusting And Deterioration Of The Untreated Steel Framing System Is Covered By The Contractor's Rework Endorsement Of The Liberty Policy)

387. AISLIC reinstates and re-alleges Paragraphs 1 through 386 as though fully set forth herein.

388. AISLIC asserts that any liability of the Underlying Defendants for the alleged rusting and deterioration of the untreated steel framing system may be covered by the Contractor's Rework Endorsement of the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

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389. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any liability of the Underlying Defendants for the alleged rusting and deterioration of the untreated steel framing system is covered by the Contractor's Rework Endorsement of the Liberty Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

EIGHTY-FOURTH CAUSE OF ACTION

(Declaratory Relief Whether Any Liability Of The Underlying Defendants For The Alleged Corrosion On The Metal Stud Framing That Had Allegedly Considerably Reduced The Strength And Load Carrying Capacity Of The Palazzo Pools Is Covered By The Contractor's Rework Endorsement Of The Liberty Policy)

390. AISLIC reinstates and re-alleges Paragraphs 1 through 389 as though fully set forth herein.

391. AISLIC asserts that any liability of the Underlying Defendants for the alleged corrosion on the metal stud framing that had allegedly considerably reduced the strength and load carrying capacity of the Palazzo Pools may be covered by the Contractor's Rework Endorsement of the Liberty Policy. AISLIC is informed and believes that Liberty disputes this contention.

392. A present and actual controversy exists by and between AISLIC and Liberty with respect to whether any liability of the Underlying Defendants for the alleged corrosion on the metal stud framing that had allegedly considerably reduced the strength and load carrying capacity of the Palazzo Pools is covered by the Contractor's Rework Endorsement of the Liberty Policy. Based thereon, this Court has authority to issue a declaratory judgment concerning the parties' respective rights and duties. The requested judicial determination is appropriate and necessary to resolve a present controversy by defining the respective rights and obligations of the parties. No other adequate remedy exists by which the rights of the parties may be determined.

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PRAYER FOR RELIEF

WHEREFORE, AISLIC respectfully requests that this Court enter a judgment granting it the following relief:

1. On the first cause of action, a declaration as to whether the basis for the potential or actual liability of any of the Underlying Defendants is an "occurrence" for which coverage is provided by the AISLIC Policy.

2. On the second cause of action, a declaration as to whether the basis for the potential or actual liability of any of the Underlying Defendants arising from the alleged rusting of the light gauge steel framing supports of the perimeter of the Palazzo Pools is an "occurrence" for which coverage is provided by the AISLIC Policy.

3. On the third cause of action, a declaration as to whether the basis for the potential or actual liability of any of the Underlying Defendants arising from the alleged omission of the CMU wall framing and replacement with a non-rust resistant, simple shop prime light-gauge metal stud framing system is an "occurrence" for which coverage is provided by the AISLIC Policy.

4. On the fourth cause of action, a declaration as to whether the basis for the potential or actual liability of any of the Underlying Defendants resulting from the alleged use of shop prime light-gauge metal stud framing system is an "occurrence" for which coverage is provided by the AISLIC Policy.

5. On the fifth cause of action, a declaration as to whether the basis for the potential or actual liability of any of the Underlying Defendants for the alleged rusting and deterioration of the untreated steel framing system is an "occurrence" for which coverage is provided by the AISLIC Policy.

6. On the sixth cause of action, a declaration as to whether, to the extent the Underlying Action involves any potential or actual liability of any of the Underlying Defendants resulting from an "occurrence," it is multiple "occurrences."

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7. On the seventh cause of action, a declaration as to whether the basis for the potential or actual liability of any of the Underlying Defendants for any of the alleged damages in the Underlying Action is damages because of "Property Damage" that is covered by the AISLIC Policy.

8. On the eighth cause of action, a declaration as to whether the basis for the potential or actual liability of any of the Underlying Defendants resulting from the alleged presence of water in the vaults is "Property Damage" caused by an "occurrence" that is covered by the AISLIC Policy.

9. On the ninth cause of action, a declaration as to whether the basis for the potential or actual liability of any of the Underlying Defendants resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools constitutes "Property Damage" caused by an "occurrence" that is covered by the AISLIC Policy.

10. On the tenth cause of action, a declaration as to whether the basis for the potential or actual liability of any of the Underlying Defendants for any alleged "Property Damage" in the Underlying Action is an "occurrence."

11. On the eleventh cause of action, a declaration as to whether the basis for the potential or actual liability of any of the Underlying Defendants resulting from the alleged inappropriate steel framing system inconsistent with original plans constitutes liability for "Property Damage" caused by an "occurrence" that is covered by the AISLIC Policy.

12. On the twelfth cause of action, a declaration as to whether the basis for the potential or actual liability of any of the Underlying Defendants for costs to tear out concrete and replace waterproofing beneath it is "Property Damage" caused by an "occurrence" that is covered by the AISLIC Policy.

13. On the thirteenth cause of action, a declaration as to whether the basis for the potential or actual liability of any of the Underlying Defendants for the replacement of the steel beams is "Property Damage" caused by an "occurrence" covered by the AISLIC Policy and whether replacement of the beams was necessary to remedy covered "Property Damage."

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14. On the fourteenth cause of action, a declaration as to whether the basis for the potential or actual liability of any of the Underlying Defendants resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools constitutes "Property Damage" caused by an "occurrence" that is covered by the AISLIC Policy.

15. On the fifteenth cause of action, a declaration as to whether any coverage for damages alleged in the Underlying Action are excluded by the AISLIC Policy's Contractual Liability Exclusion.

16. On the sixteenth cause of action, a declaration as to whether any coverage for damages alleged in the Underlying Action are excluded by the AISLIC Policy's Impaired Property Exclusion.

17. On the seventeenth cause of action, a declaration as to whether any coverage for damages resulting from the alleged rusting and deterioration of untreated steel framing system is excluded by AISLIC Policy's Impaired Property Exclusion.

18. On the eighteenth cause of action, a declaration as to whether any coverage for damages resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools is excluded by the AISLIC Policy's Impaired Property Exclusion.

19. On the nineteenth cause of action, a declaration as to whether any coverage for the damages alleged in the Underlying Action are excluded by the AISLIC Policy's Exclusion F for exclusion for "Property Damage" to Your Product.

20. On the twentieth cause of action, a declaration as to whether any coverage for damages resulting from the alleged rusting of the light gauge steel framing supports of the perimeter of the Palazzo Pools is excluded because it is "Property Damage" to Your Product.

21. On the twenty-first cause of action, a declaration as to whether any coverage for damages resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools as a result of corrosion on much of the metal stud framing is excluded by Exclusion F of the AISLIC Policy because it constitutes "Property Damage" to Your Product.

22. On the twenty-second cause of action, a declaration as to whether any coverage for damages resulting from the alleged rusting and deterioration of the untreated steel framing system

constitutes liability for "Property Damage" to Your Product, and is excluded by Exclusion F of the AISLIC Policy.

23. On the twenty-third cause of action, a declaration as to whether any coverage for the damages alleged against one or more of the Underlying Defendants is "Property Damage" to Your Work and is excluded by Exclusion G of the AISLIC Policy.

24. On the twenty-fourth cause of action, a declaration as to whether any coverage for damages resulting from the alleged rusting of the light gauge steel framing supports of the perimeter of the Palazzo Pools is "Property Damage" to Your Work and is excluded by Exclusion G of the AISLIC Policy.

25. On the twenty-fifth cause of action, a declaration as to whether any coverage for damages resulting from the alleged rusting and deterioration of the untreated steel framing system is "Property Damage" to Your Work and is excluded by Exclusion G of the AISLIC Policy.

26. On the twenty-sixth cause of action, a declaration as to whether any coverage for damages resulting from the alleged reduced strength and load carrying capacity of Palazzo Pools as a result of corrosion on much of the metal stud framing is "Property Damage" to Your Work and is excluded by Exclusion G of the AISLIC Policy.

27. On the twenty-seventh cause of action, a declaration as to whether any coverage for some or all of the damages alleged against one or more of the Underlying Defendants is excluded by Exclusion K of the AISLIC Policy because such damages were expected or intended.

28. On the twenty-eighth cause of action, a declaration as to whether any coverage for damages resulting from the alleged rusting of the light gauge steel framing supports of the perimeter of the Palazzo Pools is excluded by Exclusion K because the rusting was expected or intended.

29. On the twenty-ninth cause of action, a declaration as to whether any coverage for damages resulting from the alleged omission of the CMU wall framing and replacement with non-rust resistant, simple shop prime light-gauge metal stud framing system is excluded by Exclusion K of the AISLIC Policy because such damages were expected or intended.

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30. On the thirtieth cause of action, a declaration as to whether any coverage for damages resulting from the alleged use of inappropriate/inadequate steel framing system inconsistent with original plans is excluded by Exclusion K of the AISLIC Policy because such damages were expected or intended.

31. On the thirty-first cause of action, a declaration as to whether any coverage for damages resulting from the alleged rusting and deterioration of the untreated steel framing system is excluded by Exclusion K of the AISLIC Policy because such damages were expected or intended.

32. On the thirty-second cause of action, a declaration as to whether any coverage for damages resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools is excluded by Exclusion K of the AISLIC Policy because such damages were expected or intended.

33. On the thirty-third cause of action, a declaration as to whether any coverage for damages resulting from the alleged presence of water in the vaults is excluded by Exclusion K of the AISLIC Policy because such damages were expected or intended.

34. On the thirty-fourth cause of action, a declaration as to whether any coverage for damages resulting from the alleged omission of the CMU wall framing and replacement with a non-rust resistant, simple shop prime light-gauge metal stud framing system is excluded by Exclusion K of the AISLIC Policy because such damages were expected or intended.

35. On the thirty-fifth cause of action, a declaration as to whether any coverage for some or all of the damages alleged in the Underlying Action are excluded pursuant to Exclusion R of the AISLIC Policy because such damages are for the Recall of Your Product, Your Work, or Impaired Property.

36. On the thirty-sixth cause of action, a declaration as to whether any coverage for damages resulting from the alleged rusting of untreated steel framing is excluded by Exclusion R of the AISLIC Policy because such damages are for the Recall of Your Product, Your Work, or Impaired Property.

37. On the thirty-seventh cause of action, a declaration as to whether any coverage for damages resulting from the alleged reduced strength and load carrying capacity of the Palazzo

Pools is excluded by Exclusion R of the AISLIC Policy because such damages are for the Recall of Your Product, Your Work, or Impaired Property.

38. On the thirty-eighth cause of action, a declaration as to whether any coverage for the damages alleged in the Underlying Action is excluded by the Professional Liability Exclusion in the AISLIC Policy.

39. On the thirty-ninth cause of action, a declaration as to whether any coverage for damages resulting from the alleged use of inappropriate/inadequate steel framing system inconsistent with original plans is excluded by the Professional Liability Exclusion in the AISLIC Policy.

40. On the fortieth cause of action, a declaration as to whether any coverage for damages resulting from the alleged rusting and deterioration of the untreated steel framing system is excluded by the Professional Liability Exclusion in the AISLIC Policy.

41. On the forty-first cause of action, a declaration as to whether any coverage for damages resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools is excluded by the Professional Liability Exclusion in the AISLIC Policy.

42. On the forty-second cause of action, a declaration as to whether any coverage for damages alleged in the Underlying Action is excluded by the Miscellaneous Changes Endorsement in the AISLIC Policy.

43. On the forty-third cause of action, a declaration as to whether any coverage for damages resulting from the alleged rusting or deterioration of the untreated steel framing is excluded by the Miscellaneous Changes Endorsement in the AISLIC Policy.

44. On the forty-fourth cause of action, a declaration as to whether any coverage for damages resulting from the alleged use of inappropriate/inadequate steel framing system inconsistent with original plans is excluded by the Miscellaneous Changes Endorsement in the AISLIC Policy.

45. On the forty-fifth cause of action, a declaration as to whether any coverage for damages arising from the alleged omission of the CMU wall framing and replacement with a non-

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rust resistant, simple shop prime light-gauge metal stud framing system is excluded by the Miscellaneous Changes Endorsement in the AISLIC Policy.

46. On the forty-sixth cause of action, a declaration as to whether any coverage for damages resulting from the alleged reduced strength and load carrying capacity of the Palazzo Pools is excluded by the Miscellaneous Changes Endorsement in the AISLIC Policy.

47. On the forty-seventh cause of action, a declaration as to whether any coverage for damages resulting from the rusting of the shop-primed steel is excluded by the AISLIC Policy because said rusting was the expected result of its use in the environment in which it was used.

48. On the forty-eighth cause of action, a declaration as to number of "occurrences" alleged in the Underlying Action forming the basis of Taylor's potential liability.

49. On the forty-ninth cause of action, a declaration as to whether the basis for the potential or actual liability for the acts and omissions of Water FX, LLC in the Underlying Action for which Taylor may be held vicariously liable constitute separate "occurrences" from the acts and omissions of Mirage Builders for which Taylor may be liable.

50. On the fiftieth cause of action, a declaration as to whether the basis for the potential or actual liability arising from the acts and omissions of Mirage Builders in the Underlying Action for which Taylor may be held vicariously liable constitute separate "occurrences" from the acts and omissions of Water FX, LLC for which Taylor may be liable.

51. On the fifty-first cause of action, a declaration as to whether the basis for potential or actual liability arising from the acts and omissions of Technicoat in the Underlying Action, for which Taylor may be held vicariously liable constitute separate "occurrences," if any at all, from the acts and omissions of other subcontractors for which Taylor may be liable.

52. On the fifty-second cause of action, a declaration as to whether the basis for potential or actual liability arising from the acts and omission of Tracy & Ryder in the Underlying Action for which Taylor may be held vicariously liable constitute separate "occurrences," if any at all, from the acts and omission of other subcontractors for which Taylor may be liable.

53. On the fifty-third cause of action, a declaration as to whether the basis for potential or actual liability arising from the acts and omissions of Hansen Mechanical in the Underlying

Action for which Taylor may be held vicariously liable constitute separate "occurrences," if any at all, from the acts and omissions of other subcontractors for which Taylor may be liable.

54. On the fifty-forth cause of action, a declaration as to whether the basis for potential or actual liability arising from the acts and omissions of Isaac Construction in the Underlying Action for which Taylor may be held vicariously liable constitute separate "occurrences," if any at all, from the acts and omissions of other subcontractors for which Taylor may be liable.

55. On the fifty-fifth cause of action, a declaration as to the number of "occurrences," if any, that form the basis for Water FX's potential or actual liability and whether these are distinct from the "occurrences," if any at all, forming the basis of the liability of other Underlying Defendants.

56. On the fifty-sixth cause of action, a declaration as to the number of "occurrences," if any, that form the basis for Global Pacific Construction, Inc.'s potential or actual liability and whether these are distinct from the "occurrences," if any at all, forming the basis of the liability of other Underlying Defendants.

57. On the fifty-seventh cause of action, a declaration as to the number of "occurrences," if any, that form the basis for Global Island, Inc.'s potential or actual liability and whether these are distinct from the "occurrences," if any at all, forming the basis of the liability of other Underlying Defendants.

58. On the fifty-eighth cause of action, a declaration as to the number of "occurrences," if any, that form the basis for Mirage Builder, Inc.'s potential or actual liability and whether these are distinct from the "occurrences," if any at all, forming the basis of the liability of other Underlying Defendants.

59. On the fifty-ninth cause of action, a declaration as to whether the basis for any Underlying Defendant's liability arising out of the acts and omissions of Technicoat, are distinct from the "occurrences," if any at all, forming the basis of the liability of other Underlying Defendants.

60. On the sixtieth cause of action, a declaration as to whether the basis for any Underlying Defendant's liability arising out of the acts and omissions of Tracy & Ryder, are

distinct from the "occurrences," if any at all, forming the basis of the liability of other Underlying Defendants.

61. On the sixty-first cause of action, a declaration as to whether the basis for any Underlying Defendant's liability arising out of the acts and omissions of Hansen Mechanical, are distinct from the "occurrences," if any at all, forming the basis of the liability of other Underlying Defendants.

62. On the sixty-second cause of action, a declaration as to whether the basis for any Underlying Defendant's liability arising out of the acts and omissions of Isaac Construction, are distinct from the "occurrences," if any at all, forming the basis of the liability of other Underlying Defendants.

63. On the sixty-third cause of action, a declaration that no amounts Liberty paid to Venetian prior to a judgment in the Underlying Action apply to reduce the Retained Limit under the AISLIC Policy because any such payments are not for amounts that would be covered under the AISLIC Policy.

64. On the sixty-fourth cause of action, a declaration that Liberty has at least $4 million in limits available for the claims in the Underlying Action.

65. On the sixty-fifth cause of action, a declaration that some or all of the alleged damages alleged in the Underlying Action are covered by the Contractor's Rework Endorsement in the Liberty Policy.

66. On the sixty-sixth cause of action, a declaration that the Retained Limit of the AISLIC Policy may only be satisfied by amounts that are covered under the AISLIC Policy.

67. On the sixty-seventh cause of action, a declaration that at least $2 million of the amounts claimed by Venetian are covered by the Contractor's Rework Endorsement in the Liberty Policy to the extent that any of the Underlying Defendants are liable for such amounts.

68. On the sixty-eighth cause of action, a declaration that Liberty has a duty to fully indemnify Taylor International Corp. in the Underlying Action to the extent this entity is an insured and the claims against it are covered by the Liberty Policy.

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69. On the sixty-ninth cause of action, a declaration that Liberty has a duty to fully indemnify Taylor International Construction, Inc. in the Underlying Action to the extent this entity is an insured and the claims against it are covered by the Liberty Policy.

70. On the seventieth cause of action, a declaration that Liberty has a duty to fully indemnify Global Pacific Construction, Inc. in the Underlying Action to the extent this entity is an insured and the claims against it are covered by the Liberty Policy.

71. On the seventy-first cause of action, a declaration that Liberty has a duty to fully indemnify Global Island, Inc. in the Underlying Action to the extent this entity is an insured and the claims against it are covered by the Liberty Policy.

72. On the seventy-second cause of action, a declaration that Liberty has a duty to fully indemnify Water FX, LLC in the Underlying Action to the extent this entity is an insured and the claims against it are covered by the Liberty Policy.

73. On the seventy-third cause of action, a declaration that Liberty has a duty to fully indemnify Mirage Builders, Inc. in the Underlying Action to the extent this entity is an insured and the claims against it are covered by the Liberty Policy.

74. On the seventy-fourth cause of action, a declaration as to whether the basis for the potential or actual liability of the Underlying Defendants is the result of multiple "occurrences," if any at all.

75. On the seventy-fifth cause of action, a declaration as to whether the alleged rusting of light gauge steel framing is a distinct "occurrence," if one at all, from the other sources of potential liability of the Underlying Defendants.

76. On the seventy-sixth cause of action, a declaration as to whether the basis for the potential or actual liability for the alleged omission of CMU wall framing and the choice to replace it with simple shop prime light-gauge metal stud framing is a distinct "occurrence," if one at all, from the other sources of potential liability of the Underlying Defendants.

77. On the seventy-seventh cause of action, a declaration as to whether the basis for the potential or actual liability for damages resulting from the alleged use of shop prime light-gauge

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metal stud framing system is a distinct "occurrence," if it is one at all, from the other sources of potential liability of the Underlying Defendants.

78. On the seventy-eighth cause of action, a declaration as to whether the basis for the potential or actual liability for damages resulting from the alleged rusting and deterioration of untreated steel framing system is a distinct "occurrence," if one at all, from the other sources of potential liability of the Underlying Defendants.

79. On the seventy-ninth cause of action, a declaration as to whether the number of "occurrences" forming the basis for the potential or actual liability for all Underlying Defendants under the Liberty Policy, if any, is more than one.

80. On the eightieth cause of action, a declaration to whether any liability of the Underlying Defendants for damages resulting from the alleged rusting of the light gauge steel framing supporting the perimeter of the Palazzo Pools is covered by the Contractor's Rework Endorsement of the Liberty Policy.

81. On the eighty-first cause of action, a declaration as to whether any liability of the Underlying Defendants for damages resulting from the alleged omission of the CMU wall framing and its replacement with a non-rust resistant, simple shop prime light-gauge metal stud framing system at the Palazzo Pools is covered by the Contractor's Rework Endorsement of the Liberty Policy.

82. On the eighty-second cause of action, a declaration as to whether any liability of the Underlying Defendants for damages resulting from the alleged use of inappropriate/inadequate steel framing system inconsistent with original plans at the Palazzo Pools is covered by the Contractor's Rework Endorsement of the Liberty Policy.

83. On the eighty-third cause of action, a declaration whether any liability of the Underlying Defendants for damages resulting from the alleged rusting and deterioration of the untreated steel framing system is covered by the Contractor's Rework Endorsement of the Liberty Policy.

84. On the eighty-fourth cause of action, a declaration as to whether any liability of the Underlying Defendants for damages resulting from the alleged corrosion on the metal stud framing

that had allegedly considerably reduced the strength and load carrying capacity of the Palazzo Pools is covered by the Contractor's Rework Endorsement of the Liberty Policy.

85. For costs of suit incurred herein.

86. For other such relief as this Court deems just and proper.

DATED: May 5, 2017

HEROLD & SAGER

By: ______________________

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